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SERIALS DIVISION

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U.S. Rebuffs WTO Probe Of Cuba Sanctions

But Talks Will Go On With EU in Hope of 'Prompt Settlement'

By Tom Buerkle
International Herald Tribune

In a move that significantly raised the stakes in the trans-Atlantic dispute over Cuba, the Clinton administration served notice Thursday that it would refuse to cooperate with an international investigation of its trade sanctions because they served U.S. national security interests.

Washington left the door open for negotiated resolution of the dispute, however, saying it would pursue talks with the European Union in hopes of achieving a "prompt settlement."

Both U.S. and EU officials asserted that high-level negotiations on the issue had made good progress in recent days, but they indicated that a deal was not imminent.

The announcement in Washington by Stuart Eizenstat, the undersecretary of commerce who serves as President Bill Clinton's special envoy on Cuba, came hours after the head of the World Trade Organization appointed a three-person dispute settlement panel to investigate European contentions that the U.S. sanctions violate global trade rules.

The statement appeared designed to keep up the pressure on Europe to back down and to reassure U.S. congressional critics of the World Trade Organization without triggering a showdown that could undermine the authority of the Geneva-based trade organization.

EU officials reacted with cautious optimism, saying they were encouraged that the United States did not seek to block the appointment of the panel and would continue to negotiate.

"It will remain our aim to achieve a negotiated settlement, and of course the panel procedure can be halted or suspended at any time if the parties reach agreement," said Sir Leon Brittan, the EU trade commissioner.

"Our expectation is that this is going to be resolved," said a WTO official, who spoke on condition of anonymity. "There seems to be a real desire to settle the thing."

The aim on both sides is to resolve the dispute before the panel reaches a decision, which should take six months. A verdict that endorsed Washington's view could blow a hole in global trade rules by setting a precedent for other countries to cite national security, while a decision in favor of Europe could arouse protectionist forces in the United States that bitterly oppose the trade organization.

Despite the signs of goodwill, the United States and Europe remain far apart over the sanctions contained in the Helms-Burton act, as well as the role the World Trade Organization should play in resolving the dispute.

Sir Leon reiterated the European view that the act was objectionable in principle, representing a blatant attempt by Congress to impose its laws on America's trading partners. He is firmly backed by all 15 EU members, who agreed unanimously last week to proceed with the WTO case despite strong pressure from Washington to abandon it.

But a senior U.S. official dismissed the EU arguments, insisting that Europeans as well as opponents on the act in Canada and Mexico had a distorted view of U.S. policy.

The Helms-Burton sanctions were a "firm and measured" response to the shooting down of a civilian aircraft off Cuba last year, said this official, who spoke on condition of anonymity. The

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The Dollar		
New York	Thursday @ 4 P.M.	previous close
DM	1.6835	1.6981
Pound	1.6114	1.6153
Yen	122.455	124.425
FF	5.684	5.734

The Dow		
	Thursday close	previous close
-92.75	6927.38	7020.13

S&P 500		
change	Thursday @ 4 P.M.	previous close
-9.7	802.77	812.47

Newsstand Prices			
Andorra	10.00 FF	Lebanon	Ll. 3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1,600 CFA	Qatar	10.00 Rials
Egypt	£E 5.50	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Greece	350 Dr.	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1.250 Din
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1.250 JD	U.S. Mil. (Eur.)	$1.20

China Looks to the Next Generation

Taiwan and Hong Kong Face New Uncertainties

By Edward A. Gargan
New York Times Service

HONG KONG — The death of Deng Xiaoping has raised new uncertainties about the future both here and in Taiwan.

While both territories are regarded by Beijing as integral parts of the Chinese nation, both Hong Kong and Taiwan see themselves as distinct — politically, culturally and economically — from the mix of socialism and capitalism within the totalitarian political order of China itself.

Although Hong Kong — one of Asia's most vigorous economies and most free societies — will fall under China's flag in less than five months, the 21 million people of Taiwan seem more determined than ever to go their own way.

In 1982, as China's undisputed and supremely confident leader, Mr. Deng made it abundantly clear to Prime Minister Margaret Thatcher of Britain that China would resume sovereignty of Hong Kong on July 1, 1997. China, he declared,

Virtually all of Hong Kong's top civil servants will be allowed to stay in office after China's takeover. Page 4.

would run Hong Kong, already showing signs of being one of Asia's economic dragons, and it would station troops from the People's Liberation Army here.

But despite Mr. Deng's aggressive stance toward a Britain that entertained notions of continuing to administer Hong Kong in some fashion under China's sovereignty, he also, somewhat ironically, became Hong Kong's defender against Communist Party hard-liners, who wanted to rein in the territory's free-wheeling economy and growing civil liberties.

Instead, Mr. Deng ordered, Hong Kong would retain its capitalist economy and a political system different from China's, operating with, as he put it, "high degree of

See HONG KONG, Page 4

Manuel Cetarti/Agence France-Presse

Jiang Zemin, 70, China's new paramount leader, is a technocrat.

Bereft of Deng's Mantle, Successors Seek Mandate

By Patrick E. Tyler
New York Times Service

BEIJING — For thousands of years, the Chinese have looked up to one overarching authority — whether emperor or commissar — to rule them with the "mandate of heaven."

Deng Xiaoping's deteriorating health had long left him inactive and all but invisible, but his presence conferred a reassuring sense of order and direction on a fractious leadership struggling to sustain an economic miracle, to contend with an ambitious military and to extend China's influence in a suspicious world.

Now Mr. Deng, the last of China's revolutionary titans, has passed the mandate to a collective of younger men centered around Jiang Zemin, a 70-year-old power engineer turned party boss, and Prime Minister Li Peng, a tenacious political survivor best known to the world as the face of authoritarianism that crushed the Tiananmen Square pro-democracy uprising in 1989.

These men hold the titles and the power, but it is not at all clear either can inherit the imperial authority needed to unite China as it deals with new, divisive challenges.

Among them are pressures for greater economic liberalization and a more open debate of the past — and for greater attention to human rights and political liberty — as well as the corrosive influence of corruption and Beijing's delicate relations with Hong Kong and Taiwan.

Mr. Jiang's lack of stature in comparison with Mao and Mr. Deng has already consigned him to a life of political maneuver and compromise among the tangle of factions and families that dominates the hierarchy of the Communist Party. And it has forced him into an uneasy alliance with Mr. Li, who day to day wields the machinery of government and the management of foreign policy.

Perhaps most important, Mr. Jiang's relative political weakness has forced him to accommodate the growing demands of the military for larger budgets and a more bellicose posture toward Taiwan.

The good news for the president in the seven years since Mr. Deng nudged him into place as general secretary of the party in the aftermath of Tiananmen is that he has maneuvered so effectively that none of his potential rivals has been able to seriously fault his leadership. But he has always had the mantle of Mr. Deng's authority to fall back on.

Now it is gone.

A new mandate of heaven must now be fashioned in China, and Mr. Deng's prodigious legacy of economic reform that delivered such a rising tide of prosperity for the Chinese cannot quite overcome one glaring omission: the failure to provide a constitutional or legal framework for political succession.

Despite efforts to establish the rule of law, when it comes to picking a leader, the Communist Party still resembles Mao's revolutionary tribe, where seniority in the party and ties to the military or to heroic events in the Communist past create the seating chart in the high councils of the party that must agree on a new leader.

That was the manner employed in selecting Mr. Jiang when the wreckage of Tiananmen forced Mr. Deng to abandon an earlier handpicked heir, Zhao Ziyang.

The world saw it as Mr. Deng's decision — and his hand was certainly uppermost — but the selection of Mr. Jiang was carefully vetted among revolutionary elders, men whose names

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Mourning Deng

- Shenzen, once a sleepy, nondescript fishing village lost in the shadow of Hong Kong, owes its phenomenal growth and development to Deng Xiaoping. Page 2.
- When Mao died in 1976, China was paralyzed by grief. But despite the prosperity Mr. Deng brought to the nation, few tears are being shed for him now. Page 2.
- Mr. Deng's funeral will be an important opening act for President Jiang Zemin as he tries to cement his hold on power. Page 4.
- Asian stocks rose as investors put recent uncertainty behind them. Page 13.

Reuters

The Chinese flag at half-staff Thursday in Beijing.

A New Kind of Leader

Jiang Zemin Made Mark as an Intellectual

By Nicholas D. Kristof
New York Times Service

The man anointed to follow in the footsteps of Mao Zedong and Deng Xiaoping to rule China in the coming years, Jiang Zemin, is a mild-mannered intellectual who likes to quote Lincoln and who would be the first leader in Chinese history with a college degree.

Mr. Jiang, a portly 70-year-old who holds the titles of president, Communist Party general secretary, and chairman of the Central Military Commission, was picked by Mr. Deng in 1989 to be the country's next paramount leader.

The apparent ascendancy of Mr. Jiang, at least for now, marks a transition to a new kind of leader: an urban, college-educated technocrat, in place of poorly educated peasant leaders like Mao and Mr. Deng. Indeed, Mr. Jiang was chosen in part because the elderly leaders were impressed by his intellectual inclinations and his ability to speak foreign languages. While

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Oleg Popov/Reuters

STRAPPED — Investors outside the offices of a pyramid investment scheme in Tirana, Albania, on Thursday. Clashes broke out after an anti-government protest. Page 5.

Lost Decade in the Balkans

Turmoil Is Born of Rage in the 'European Losers' Club'

By Lee Hockstader
Washington Post Service

BELGRADE — To the jarring accompaniment of kazoos and car horns — and, occasionally, tear gas and truncheons — popular discontent in the Balkans has spilled noisily into the streets this winter, toppling one government, badly shaking two others and erupting into violent spasms in all three.

The triggers of the current turmoil vary from an economic meltdown in Bulgaria to the spectacular failure of get-rich-quick schemes in Albania, to brutish attempts by Serbia's rulers to steal local elections and cling to power, whatever the cost.

But the rising resentment in the Balkans has some common roots. Not least is the strong sense throughout the region — on thronged streets, among intellectuals and in diplomatic circles — that by refusing or delaying basic democratic or economic reforms, governments have cheated their people and left them out of an otherwise prosperous and advancing continent.

Increasingly, the 1990s are beginning to look like the Balkans' great lost decade, and the hundreds of thousands of people who have taken to the streets of dozens of cities and towns are furious at being left in Europe's dust.

"We all feel like we belong to the European losers' club," said Predrag Simic, director of the Institute of International Politics and Economics in Belgrade. "We're just way behind the rest of the continent, including Central Europe."

What is particularly galling to many is the realization that the neighbors to the north — Hungary, the Czech Republic and Poland — are comparative models of democratic harmony and free-market prosperity.

Television has shown them that, and it dazzles them with other tantalizing snippets of the good life. Even in Tirana, for decades one of the world's most isolated capitals, a flowering of satellite dishes testifies to a subversive familiarity with sitcoms and films from Italy, Albania's neighbor across the Adriatic Sea.

"People watch American movies; they know what a decent life is," said Slobodan Vuksanovic, an opposition lawmaker in Serbia. "And now, after the freedom of the demon-

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Of Fund-Raisers and Felons

Asian Accuses Democrat Of Trying to Mask Donors

By Lena Sun
Washington Post Service

WASHINGTON — An executive of an Asian-American business association said he was approached by a Democratic fund-raiser, John Huang, last summer and asked to funnel more than $250,000 from Mr. Huang through its members as contributions to the Democratic National Committee in return for a $45,000 payment to the group.

Rawlein Soberano, vice president of the Asian American Business Roundtable, based in Fairfax, Virginia, said there was no discussion of where the money was to have come from, and that he rejected Mr. Huang's offer immediately.

"I said 'no,'" Mr. Soberano said in an interview. "I knew when you do this kind of thing, it's no different from laundering money from the drug lords."

Mr. Huang, through an attorney who declined to be identified by name, denied having made the proposal to Mr. Soberano. "Mr. Huang would never have said anything other than that we need your help," the attorney said Wednesday. "The rest did not happen."

Mr. Soberano's account is the first direct al-

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Ex-Con, Seeking a Pardon, Spoke Privately to Clinton

By Bob Woodward
Washington Post Service

WASHINGTON — A twice-convicted felon who met with President Bill Clinton at one of the small White House coffee receptions in 1995 attended four other Democratic National Committee fund-raising events involving Mr. Clinton last year, according to records and interviews with Democratic Party officials.

At a Democratic National Committee event in California last year, witnesses said the convicted felon, Eric Wynn, who has been trying to win a pardon, spoke with Mr. Clinton in the presence of his attorney, Richard T. Mays, who is a longtime friend of the president's.

The White House press secretary, Michael McCurry, said the president did not recall meeting or speaking with Mr. Wynn at the March 9, 1996, fund-raiser in the San Francisco area. Mr. McCurry emphasized that the president would not have permitted Mr. Wynn or his attorney to discuss a possible pardon.

Mr. Wynn has been arrested five times during the last six months while out on bail, according to police records introduced in a New Jersey federal

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AGENDA

Food Aid Could End Standoff on Defector

Food aid promised to North Korea could help lead to the resolution of the standoff over a high-ranking North Korean defector who has been in the South Korea mission in Beijing since he took refuge there Feb. 12.

Some observers familiar say that prospects are brightening that the defector, Hwang Jang Yop, will be able to go to Seoul from Beijing.

But South Korean officials said progress in the negotiations was slow.

"We are neither pessimistic or optimistic," a senior government official said. Page 4.

Wall Street Heaps Scorn on Clinton Budget

Treasury Secretary Robert Rubin said it would not happen, but financial analysts have found much fault with the administration's proposed budget for the fiscal year that starts Oct. 1.

Mr. Rubin's old firm, Goldman Sachs, has led the charge, finding in a report that the president's plan was riddled with "timeworn accounting tricks" and other "highly dubious elements."

Congressional Republicans have also come in for criticism, over proposed tax cuts. Page 13.

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Mexico's Drug Arrest Shakes U.S. Agencies

INTERNATIONAL Page 6.
NATO Offers to Make Dramatic Cuts in Arsenals

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Mourning Deng / **"It's a Different Time"**

A City Pays Respects To Source of Its Wealth

Hundreds Gather in Bustling Shenzhen, Where Both Sides of Deng Legacy Thrive

By Keith B. Richburg
Washington Post Service

SHENZHEN, China — Not too long ago, this Chinese city was little more than a sleepy, nondescript fishing village lost in the shadow of the prosperous, British-run colony of Hong Kong just across the border.

But today it seems as much like Shenzhen is outshining the sloping hills of Hong Kong's frontierland next door. As the Hong Kong train enters the station at the Lo Wu crossing point, a knot of glistening new skyscrapers appears seemingly out of nowhere, all different shapes and sizes, some with tinted glass sides and others, still incomplete, with giant yellow construction cranes affixed to their tops.

This city's phenomenal growth and development can be attributed to one man — Deng Xiaoping, China's paramount leader, who died Wednesday in Beijing. It was only in 1980 that Mr. Deng declared Shenzhen one of his handpicked "special economic zones" that would enjoy privileged tax and investment policies aimed at attracting foreign manufacturing firms. Mr. Deng himself visited here in 1992 on his final major domestic tour, and he gave Shenzhen his personal nod of approval.

So it might be expected that if any place in China showed a genuine popular outpouring of grief for the fallen paramount leader, it would be in the city he virtually created. Indeed, in the small grassy park where Mr. Deng's huge billboard likeness gazes contentedly over the city, hundreds of people — young and old, the business elite and the beggars from the streets — all gathered to set up wreaths on large stands, to take photographs, to mingle and to mourn.

"I like Deng," said one young man, a driver by trade, who identified himself as Wong. "Without Deng Xiaoping, there would be no Shenzhen."

In a country where any type of unauthorized gathering is strictly proscribed, this apparently impromptu public demonstration of grief and affection seemed nothing short of startling.

At times, it also seemed to unnerve the local police, who were out in large numbers but also apparently unsure whether to break up the silent gathering on the grass. Groups of policemen at various times stood by, nonchalantly watching the growing crowds and then trying to prevent more people from entering the roped-off area.

"Last week, if we had stood here on the grass, we would have been fined 20 yuan," said a grizzled old veteran in a faded army cap. The fine would have been worth $2.50. "But this is a special day."

He held up a copy of the local newspaper with the banner headline on Mr. Deng's death and a picture of the patriarch in younger days, saying, "He is a great man."

"He's China's No. 1," said another elderly visitor. "He was good," he says, flashing his visitor a thumbs-up sign.

"Yes, I like him very much," said a young woman with a black armband.

Elsewhere in Shenzhen, away from his one large likeness, it was difficult to find any public reaction to Mr. Deng's death. The Chinese flag of five gold stars on a field of red was flying at half-staff over government buildings. Near the train station, a copy of the day's Economic Journal newspaper, with a story about Mr. Deng on the front, was posted in a glass display case for public reading, but only a few people stopped for a passing glimpse.

But the consumer frenzy that the leader's reforms have wrought was fully in evidence here Thursday — as was the concurrent set of problems that many here see as the underside of China's unrestrained rush to double-digit growth.

Outside the tourist hotels and shops, hawkers were busy handing out leaflets and cards advertising everything from cheap rooms to cheap, traditional massages for the aching hands and feet.

A police officer was pulling over taxicabs and issuing traffic citations. Huge Marlboro billboards exhort young Chinese to smoke to look macho, and prostitutes in massive heels and permed hair troll in front of hotels.

One side-effect of the transformation of China's economy has been a growing gap between the rich and poor, the haves and the have-nots, those who live in the affluent coastal regions like this one, and the largely rural migrants from the interior who flock here in search of work. That gnawing disparity — anathema to traditional communists — stands as much a part of Mr. Deng's legacy as the gleaming new glass-sided skyscrapers.

On one street, a small street child with a metal bowl followed after passers-by, tugging at their pant legs for a spare coin. On a pedestrian overpass, not far from the Deng billboard, a legless man crawled on his stomach with a tin cup extended before him. Nearer the train station, a line of beggars — old women with white hair, men with missing limbs, dirty-faced children — stood with hands outstretched.

Shenzhen has also developed a darkly violent side, a place where gangsterism has become so rampant that one foreign businessman here said he never traveled anywhere without an armed bodyguard.

Analysts say that with China set to resume control of Hong Kong in just 18 weeks, any policy changes affecting the status of the special economic zones — and Shenzhen particularly — seem highly unlikely, because of the detrimental impact any change might have on Hong Kong itself. So for the moment at least, this most visible of Mr. Deng's legacies, problems and all, seems likely to persist.

Carrige Ho/Reuters

Shenzhen residents arranging flowers and wreaths Thursday in front of a billboard photo of Mr. Deng in the southern city near Hong Kong.

Land That Wept for Mao Goes About Its Business, As His Successor Wanted

By Steven Mufson
Washington Post Service

BEIJING — When Mao Zedong died in 1976, Liu Chengyin, his family and 200 to 300 other people dressed in their drab cotton Mao suits hurried to their work unit to cram around a black-and-white television set that was the only one available in the entire neighborhood.

People wept, and the Lius' hometown of Kunshan, about an hour's drive outside Shanghai, like the rest of China, was paralyzed by anxiety and grief.

On Thursday, the Liu family was able to watch news of Deng Xiaoping's death on a color Panasonic television in the comfort of the living rooms of their separate one and two-bedroom apartments, tape the broadcast on their VCR, talk it over on a mobile phone, or over a routine dinner of pork, rice and fruit that in Mao's day would have been considered a feast fit for an emperor.

Yet there were few tears being shed in China on Thursday over Mr. Deng's passing, despite the vast improvement his reign brought about in the lives of ordinary Chinese people and the towering figure the diminutive leader cut across most of the 20th century.

"There isn't much love for Deng Xiaoping," said Mr. Liu's son, Liu Mushi.

"It's a different time," Liu Mushi said. "Back then was the peak of Mao worship. You don't have that for Deng."

That seemed to reflect the prevailing view in China on Thursday, where few seemed to be mourning Mr. Deng as much as they once mourned Mao.

Instead, for most people in China, it was business as usual: bucking morning traffic, putting in a day at the office or factory, going to class, or shopping at stores and markets.

The stock markets in Hong Kong and Shanghai, after sharp drops on Tuesday, stabilized and ended the day slightly higher. The police presence on the streets, usually relatively modest in size, appeared to be the same as usual.

"As long as I get paid, it doesn't matter who dies," said a woman selling tea on the street of Beijing's busy Wangfujing shopping district.

The sheer banality of the day and the absence of any outpouring of grief was a measure of Mr. Deng's success.

China, which has suffered trauma at virtually every change in leadership, survived the first day of the post-Deng era without incident or anxiety.

And that's the way Mr. Deng would probably have wanted it. He always said that he wanted to avoid the sort of personality cult that the charismatic but tyrannical Mao cultivated. As a result, no portrait of Mr. Deng hangs over the Gate of Heavenly Peace opposite

'Ordinary residents feel that Deng was a very great man, but just a man, not a god.'

Tiananmen Square, where Mao hung his own image. No bust of Mr. Deng graces the Chinese currency. There are no statues of him in city squares.

"Ordinary residents feel that Deng was a very great man, but just a man, not a god," said Victor Yuan, president of Horizon, a Beijing-based polling firm.

Michael Oksenberg, a professor at Stanford University in California, said: "Partly because of Deng's own wishes there is no cult of personality to match that of Mao. Most Chinese know Deng did a lot for the country and that he also had imperfections. He did not leave a lacquered image and that is very much to his credit. The leaders of China have been somewhat reduced to a more human scale."

The Lius are thankful for their prosperity, and yet they feel nostalgic for life in the 1950s and 1960s, which they remember as a simpler time.

"Back then, people's morality was higher," Liu Mushi said. "People had more faith in the Communist Party."

"There was both more control and more morality," said his father. "Nowadays, if you ride a bike and fall on the street, a bunch of people will see you and no one would come to help you. Back then that wouldn't happen."

Mr. Yuan, the pollster in Beijing, said: "People think Deng brought about much better living conditions and a much more open society and more opportunity. But they also complain that the present society has too many people who just talk about money and the management of the country looks not so clean and honest."

JIANG: *An Intellectual Who Is a New Kind of Leader for Chinese*

Continued from Page 1

Chinese officials say Mr. Jiang is already secure in his role as China's strongman, power struggles have been rumored in Beijing for some time, and Mr. Jiang has attracted some resentment for his tendency to amass titles beyond, his critics say, his talents.

The assiduousness with which he has cultivated military leaders bespeaks his political shrewdness, but it also signals one of his weaknesses and apparently his nervousness about the possibility of a military coup.

Judging Mr. Jiang's future course is difficult because he has been dubbed the "weathervane" for his tendency to shift with the political winds, and he has generally been more associated with caution than leadership. He is also limited because he is the first top Chinese Communist leader without military experience, meaning that he commands less respect from the armed forces than Mr. Deng did.

Yet, he has courted and promoted a series of military leaders, and by most accounts he has done better than anyone expected in winning friends among the generals. More broadly, Mr. Jiang has been underestimated throughout his career, and he has proven a better politician and more tenacious figure in the last few years than most critics expected.

A Russian-trained engineer, Mr. Jiang speaks fluent Russian and some English and Romanian, learned during stints working in a factory in Romania. He greets Japanese visitors with a few words of Japanese, impresses Romanians by quoting the Romanian poet Mihai Eminescu, and sometimes quotes from Lincoln's Gettysburg address in English, particularly the line about "government of the people, by the people, for the people."

Even Mr. Jiang's diminished stature, compared to the leaders of the past, may make him a man to match the times. Mao was one of the most powerful rulers in Chinese history, presiding at a time when the Communist Party was a totalitarian institution. Mr. Deng was also powerful, though much less so, at a time when the party was still important but less so than under Mao.

These days, the Communist Party, no longer much connected to communism, rules the political process but not the daily lives of the Chinese people. Mr. Jiang emerges as the diminished leader of a diminished party, and many Chinese are perfectly happy with that arrangement.

While Mao and Mr. Deng were both bold visionaries, Mr. Jiang has been much less impetuous. He favors economic liberalization but at a moderate pace, and he seems to feel that the government should still play an important role in the economy.

Mr. Deng often seemed most enthusiastic about southern Chinese cities like Shenzhen, where the economy boomed because of private enterprises and joint ventures with foreign companies, where living standards soared but social problems also emerged and the Communist Party lost some of its relevance.

Mr. Jiang, in contrast, has always seemed most enchanted by the economic model of Shanghai, the city where he served as mayor and Communist Party leader, where the government plays a major role in guiding the economy and large, modern companies build their glass-and-steel offices.

Mr. Jiang does not seem bothered so much by the ideological challenges of free enterprise in a socialist country as by the practical political problems. He seems hesitant about privatizing state-owned companies, not because that would be incompatible with Communist Party rule but because of concerns about whether laid-off workers would take to the streets and protest.

In the political world, Mr. Jiang is also a moderate authoritarian compared to his predecessors. He met with pro-democracy student protesters in 1987 to urge them to go back to their studies, and at times he tolerated a bit of dissent. He played no direct role in the 1989 military assault on student protesters, because he was in Shanghai at the time.

Yet, Mr. Jiang clearly has a firm hand. He closed the nation's most outspoken newspaper in Shanghai in 1989, well before the crackdown, and he ordered a string of executions immediately after the 1989 crackdown. In recent years he has also presided over a tightening of political controls, so that dissidents have virtually all been exiled or imprisoned.

Born in the city of Yangzhou in central China, Mr. Jiang joined the Communist Party in 1946 but did little work in the party before the Communist revolution of 1949. After studying electric motors at a Shanghai university, he worked as a manager in a series of factories and studied engineering in the Soviet Union.

After embracing the Cultural Revolution, and emerging largely unscathed when it ended in 1976, he became a government official and rose to be deputy minister of the electronics industry in 1982. The key step came when he was appointed mayor of Shanghai in 1986.

The Chinese Leadership After Deng

Jiang Zemin, 70, president. Chairman of the Chinese Communist Party. A party member since 1946 and a former mayor of Shanghai, Jiang was catapulted into the leadership in the wake after the 1989 crackdown on pro-democracy demonstrators. Learned English at an American missionary school.

Li Peng, 68, prime minister. Elected in 1988,he lost control of economic policy in 1990 to Zhu Rongji. Li is a major symbol of the bloody crackdown on demonstrators in 1989 in Beijing, having signed the martial law order for troops to intervene. Studied hydroelectric engineering in Moscow.

Zhu Rongji, 68, deputy prime minister and governor of the People's Bank of China. A career economic planner who was rehabilitated by Deng in 1979, Zhu is China's economic czar. Succeeded Jiang as mayor of Shanghai in 1988. His blunt manner and tough economic programs have made him many enemies in China.

Qiao Shi, 72, chairman of the National People's Congress. Qiao made his career in party security and intelligence. He is head of the secrets protection committee and a strong supporter of the economic reform policies initiated by Deng. Widely believed by Chinese analysts to have abstained in the vote for the use force in the 1989 crackdown. He has a British-educated son and a U.S.-educated daughter. IHT

TRAVEL UPDATE

New York's Airports Yield on Luggage Carts

NEW YORK (NYT) — After endless complaints from airline passengers, self-service luggage carts will soon be available without charge in the international arrival terminals at the three major airports in the New York area.

Passengers on domestic flights will still have to pay $1.50 for a cart. The change at Kennedy International Airport, La Guardia Airport and Newark International Airport is expected this spring.

Hong Kong Christens Chek Lap Kok Airport

HONG KONG (AFP) — Hong Kong's new multibillion dollar Chek Lap Kok airport was christened Thursday when a government twin-engine plane landed on its runway.

"The first landing shows we are well on track to open the new airport in April 1998," said the airport authority chairman, Wong Po-yan.

The Czech Republic and Slovakia will change country codes used for telephone calls from abroad March 1, when the codes will be 420 for the Czech Republic and 421 for Slovakia. *(AP)*

The marble frieze of the Athena Nike Temple at the entrance of the Acropolis will be moved soon to prevent it being destroyed by pollution, an archaeological source said. *(AFP)*

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et de S.A.S. la Princesse Caroline de Monaco

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U.S. Adds 311 As Police Line

The Associated Press

WASHINGTON — In an effort to free up an emergency system clogged with calls about irksome but not urgent situations, the Federal Communications Commission has designated 311 as the number for reporting nonemergencies.

The panel acted in response to a request from President Bill Clinton last July for a number that would be "as easy to use and remember as 911."

So far, only Baltimore has a 311 system.

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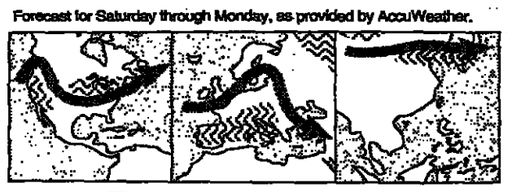
WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.



Jetstream · Unseasonably Cold · Unseasonably Mild · Heavy Rain · Heavy Snow

North America
Stormy weather will exit the East Saturday, followed by a shot of cold air into the Northeast and mid-Atlantic Sunday and Monday. Cold and mainly dry weather will prevail across the Great Lakes. Dry and mild in the West and northern Rockies.

Europe
Near- to above-normal temperatures will prevail across much of the continent. Stormy weather will return to the British Isles and northwest Europe Sunday and Monday. Southeast Europe will be mainly dry and turning milder, while showers could reach into Spain Sunday.

Asia
Unseasonably mild weather will continue in Beijing, both Koreas, including Seoul, and southern Japan. These areas will also stay dry through Monday. Tokyo and the rest of Japan will enjoy a moderating trend. Hong Kong will be mild and mainly dry, while a thunderstorm could affect Singapore.

Europe

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algarve	21/70	14/57 pc	19/66	12/53 c
Amsterdam	6/43	-4/25 sh	11/52	6/43 c
Ankara	1/34	-4/25 sn	3/37	-7/20 sn
Athens	10/50	2/35 pc	12/53	5/41 pc
Barcelona	16/61	8/46 pc	15/59	9/48 c
Belgrade	4/39	1/34 sn	8/46	1/34 c
Berlin	9/48	3/37 sn	9/48	6/43 s
Brussels	9/48	4/39 sh	12/53	7/44 c
Budapest	7/44	-3/27 sn	8/46	1/34 c
Copenhagen	6/43	1/34 sh	7/44	6/43 sh
Costa Del Sol	23/73	13/55 pc	20/68	12/53 c
Dublin	10/50	9/48 c	11/52	8/46 sh
Edinburgh	7/44	6/43 c	11/52	7/44 c
Florence	14/57	4/39 s	16/61	7/44 s
Frankfurt	10/50	2/35 r	9/48	6/43 sh
Geneva	8/46	2/35 c	12/53	6/43 pc
Helsinki	3/37	0/32 sn	4/39	0/32 sn
Istanbul	5/41	-1/31 c	4/39	0/32 pc
Las Palmas	24/75	18/64 pc	25/77	18/64 pc
Lisbon	18/64	13/55 c	17/62	9/48 c
London	9/48	8/43 c	12/53	7/44 pc
Madrid	21/70	6/43 s	18/61	4/39 pc
Mallorca	14/57	10/50 pc	14/57	10/50 c
Milan	11/52	3/37 pc	14/57	5/41 pc
Moscow	-4/25	-7/20 c	-3/27	-4/25 sn
Munich	6/43	2/35 sn	11/52	2/35 pc
Nice	17/62	9/48 s	17/62	10/50 pc
Oslo	5/41	0/32 sh	7/44	-1/31 c
Paris	11/52	5/41 pc	11/52	4/39 pc
Prague	7/44	0/32 sn	8/46	3/37 c
Reykjavik	-1/31	-3/27 sn	0/32	-4/25 sn
Rome	17/62	4/39 s	16/61	7/44 pc
St. Petersburg	0/32	-3/27 sn	2/35	0/32 sn
Stockholm	3/37	-2/28 sf	6/43	2/35 c
Strasbourg	9/48	5/41 sh	11/52	7/44 c
Tallinn	-1/31	-8/18 sn	-1/31	-2/28 sn
Venice	12/53	4/39 s	16/61	6/43 s
Vienna	12/53	3/37 pc	9/48	6/48 s
Warsaw	8/46	2/35 sh	7/44	4/39 s
Zurich	6/43	3/37 c	9/48	5/41 c

Middle East

Abu Dhabi	30/86	19/66 s	32/89	19/66 s
Beirut	14/57	9/48 r	11/52	9/48 r
Cairo	15/59	6/43 c	13/55	5/41 pc
Damascus	6/43	1/34 sh	7/44	0/32 r
Jerusalem	9/48	3/35 sh	6/43	1/34 r
Luxor	21/70	2/35 s	21/70	2/35 s
Riyadh	27/80	14/57 s	28/82	11/52 s

North America

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Anchorage	1/34	-3/27 sn	3/35	-2/28 sn
Atlanta	20/68	11/52 sh	12/53	-3/27 pc
Boston	12/53	6/43 sh	16/61	-2/28 sh
Chicago	4/39	-4/25 r	-2/28	-11/13 pc
Dallas	11/52	1/34 s	6/48	-2/28 pc
Denver	2/39	-4/18 s	3/37	-8/18 pc
Detroit	-10/50	-2/28 r	1/34	-10/18 pc
Honolulu	28/82	20/68 s	28/82	20/68 s
Houston	18/64	6/43 pc	14/57	3/37 pc
Los Angeles	24/75	8/43 s	22/71	4/39 pc
Miami	29/82	21/70 pc	27/80	18/64 pc
Minneapolis	-2/28	-11/13 c	-6/18	-19/-2 sn
Montreal	3/37	-1/31 r	2/35	-7/22 sn
Nassau	27/80	20/68 s	28/82	20/68 pc
New York	14/57	13/55 c	13/55	-1/31 r
Orlando	29/84	17/62 pc	29/78	18/63 c
Phoenix	21/70	7/44 s	20/68	3/37 r
San Fran.	17/62	9/48 pc	17/62	9/48 pc
Seattle	8/46	3/37 sh	13/55	4/39 pc
Toronto	8/46	-1/31 r	0/32	-10/14 pc
Vancouver	8/46	2/35 sh	14/57	9/48 pc
Washington	20/68	11/52 sh	13/55	0/32 sh

Asia

	Today High	Today Low/W	Tomorrow High	Tomorrow Low W.
	C/F	C/F	C/F	C/F
Bali	32/89	23/73 t	32/89	23/73 sh
Bangkok	31/88	22/71 s	33/91	24/75 c
Beijing	11/52	1/34 s	12/53	-2/28 pc
Bombay	31/88	17/62 s	31/88	18/64 s
Calcutta	27/80	13/55 s	27/80	13/55 s
Chiang Mai	32/89	19/66 s	30/86	22/71 c
Colombo	31/88	21/70 s	30/86	21/70 s
Hanoi	23/73	14/57 s	22/71	10/61 pc
Ho Chi Minh	33/91	24/75 t	31/88	24/75 r
Hong Kong	21/70	13/55 s	20/68	14/57 pc
Islamabad	22/71	8/46 pc	24/75	9/48 t
Jakarta	29/84	24/75 c	29/84	24/75 c
Karachi	27/80	13/53 s	30/84	14/57 s
K. Lumpur	32/89	24/75 t	31/88	23/73 t
K. Kinabalu	29/84	23/73 c	30/86	24/75 r
Manila	30/86	15/59 c	29/84	19/64 pc
New Delhi	25/77	9/48 s	26/79	9/48 s
Phnom Penh	29/82	23/73 sh	33/91	23/73 c
Pusan	31/88	22/71 s	29/84	24/75 c
Rangoon	30/86	21/70 s	29/84	23/73 c
Seoul	6/43	-2/28 s	10/50	-1/31 s
Shanghai	13/55	1/34 s	11/52	6/43 c
Singapore	30/86	24/75 c	31/88	24/75 r
Taipei	19/66	12/53 c	19/66	13/55 pc
Tokyo	8/46	-1/31 pc	9/48	-2/28 s
Vientiane	22/71	13/55 s	21/70	16/61 pc

Africa

Algiers	22/71	9/48 s	22/71	12/53 pc
Cape Town	27/80	13/55 s	24/75	13/55 s
Casablanca	23/73	14/57 pc	22/71	13/55 s
Harare	29/84	9/48 s	30/86	7/44 s
Lagos	31/88	24/75 s	32/89	24/75 s
Nairobi	31/88	11/52 s	30/86	11/52 s
Tunis	17/62	6/43 s	18/61	8/46 pc

Latin America

Buenos Aires	25/77	18/66 pc	28/82	19/66 pc
Caracas	26/82	22/71 pc	25/84	22/71 pc
Lima	28/82	22/71 c	28/82	22/71 pc
Mexico City	24/75	9/48 s	22/71	7/44 pc
Rio de Janeiro	30/86	24/75 pc	29/82	22/71 pc
Santiago	30/86	9/48 s	28/79	10/50 pc

Oceania

Auckland	24/75	17/62 pc	24/75	17/62 pc
Sydney	29/84	20/73 pc	31/88	24/75 s

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, I-ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

THE AMERICAS

Starr Leaves Himself a Way Out of Quitting

By Susan Schmidt
Washington Post Service

WASHINGTON — Kenneth Starr, facing a barrage of criticism over his plan to leave his post as Whitewater independent counsel this summer, has left the door open to reconsidering his decision.

Mr. Starr said that it would have been preferable if the "once in a lifetime" job offer he had accepted from Pepperdine University had come a year or two from now, so that he would have been able to complete the Whitewater investigation. He said his starting date of Aug. 1 was his "current understanding" with Pepperdine, suggesting that the plan could change.

In a news conference after a breakfast speech before the Fairfax, Virginia, Bar Association, Mr. Starr declined to say whether he would make decisions before his departure about whether to bring charges against President Bill Clinton, Hillary Rodham Clinton or their White House aides.

He acknowledged it would be difficult for a new independent counsel to carry through on major indictments prepared under his direction.

"That could present difficulties if the individual had no prior involvement with the case," said Mr. Starr, hinting strongly he would recommend his successor be chosen from among the lawyers on his staff. That choice will be made by a special appeals-court panel.

Mr. Starr seemed unprepared for and taken aback by the furor his departure announcement has generated. Editorials in the country's major newspapers accused him of abandoning his obligation to see the Whitewater investigation to conclusion. Senator Arlen Specter, Republican of Pennsylvania, sent a letter urging Mr. Starr to see the job through.

"Your departure will have a very serious, if not devastating, effect on the investigation," Mr. Specter wrote. "From my own experience as a prosecuting attorney, I know that leadership and momentum are critical. There are many witnesses or potential witnesses who will be dissuaded by your departure as a sign that the issues will not be pursued with the same diligence. I share that concern."

Lawyers familiar with the investigation have said Mr. Starr's departure will make it even harder to gain the testimony of Susan McDougal and others who have refused to cooperate.

Mrs. McDougal, who along with her ex-husband is a former business partner of Mr. Clinton, is serving a sentence for contempt for refusing to answer before a grand jury when asked if Mr. Clinton had testified truthfully at her trial for fraud.

Asked about gaining cooperation of witnesses, Mr. Starr said: "The country would be better off and the nation would be well served if the witnesses came forward."

Mr. Starr said Wednesday that "nothing has a larger priority than the faithful discharge of these duties." The timing of the Pepperdine offer was outside his control, he said, adding that the decision to accept it now had been "difficult for me personally."

At Pepperdine, Mr. Starr will be dean of the law school and founding dean of a school for public policy. He said he had delayed as long as possible in accepting the offer from the university in Malibu, California.

Arrest of Mexico Drug Czar Shakes U.S. Agencies

By Pierre Thomas
Washington Post Service

WASHINGTON — Federal law-enforcement agencies have ordered extensive damage assessments after the arrest of Mexico's top anti-drug official, who had broad access to classified U.S. information, including details about drug investigations, wiretaps and sensitive sources.

A senior administration official said the official, General Jesus Gutierrez Rebollo, named 10 weeks ago as director of the National Institute to Combat Drugs, "was given sensitive information, lots of it."

General Gutierrez, 62, a 42-year army veteran, has been charged by Mexican officials with aiding the transportation of cocaine, bribery and maladministration of justice. Mexican officials also say that General Gutierrez brought criminals with drug contacts into the agency, and U.S. officials said the damage those subordinates might have done would also have to be assessed.

The damage assessments were discussed Wednesday at a meeting of representatives of the State Department, National Security Council, the Office of National Drug Control Policy and the Department of Justice.

The assessments, likened to those undertaken in espionage cases, will also include the analysis of intelligence previously provided to the Mexican government, which General Gutierrez had access to as that country's highest ranking drug fighter, officials said. In addition to concerns about what U.S. intelligence General Gutierrez obtained, there is also considerable worry about what he learned of his country's efforts in the more than two months he has been on the job.

"The potential for damage could be considerable," said a senior law-enforcement official. The official expressed concern that General Gutierrez might have passed along information about covert U.S. law-enforcement techniques to drug dealers, allowing them to counter the tactics.

Stunned senior law-enforcement officials, including previously staunch supporters of Mexico's efforts to combat drugs, conceded that the arrest had to be factored into President Bill Clinton's coming decision on whether to certify Mexico as a trustworthy partner in anti-narcotics programs. A report on such certification is due March 1; if Mexico is deemed untrustworthy, it would U.S. aid for drug-fighting programs.

"It's sad and troubling that in fact corruption has reached an individual at this level," said a State Department spokesman, Glyn Davies.

Barry McCaffrey, director of the U.S. Office of National Drug Control Policy, was described as shocked at the news that General Gutierrez had been arrested in a corruption investigation tied to Amado Carrillo Fuentes, purported leader of Mexico's Juarez drug cartel and regarded as the country's most powerful drug lord.

> **'The potential for damage could be considerable.'**

General McCaffrey, who had praised General Gutierrez as an "honest man" and touted Mexico's efforts to fight drugs, has canceled the scheduled release Friday of a U.S.-Mexico white paper analyzing drug trafficking.

On a visit to Washington three weeks ago, General Gutierrez was briefed on U.S. narcotics strategies and priorities. The briefings included information on border drug-smuggling activity, interdiction efforts and an assessment of world cocaine-distribution networks, law-enforcement and administration officials said.

The Gutierrez inquiry became public in Mexico last weekend, when army troops assigned to anti-drug duty raided three homes General Gutierrez owns in the west-central city of Guadalajara. The operation was carried out without the knowledge or cooperation of General Gutierrez's agency or the attorney general's office, which oversees the anti-drug institute.

In a statement, Mexico's defense minister, Enrique Cervantes Aguirre, said the investigation began Feb. 6, after the authorities received a tip that the new drug czar had moved into an expensive apartment in Mexico City whose cost seemed beyond his lawful means. General Cervantes said the investigation revealed the apartment had been made available to General Gutierrez by an employee of Mr. Carrillo's.

Mr. Carrillo is widely known as the "Lord of the Skies" because he is said to have pioneered the use of Boeing 727 aircraft to transport large-scale shipments of cocaine from Colombia to northern Mexico, from where it is then shipped to the United States by various means.

Mexican authorities also obtained a recording of a telephone conversation that they say is between General Gutierrez and Mr. Carrillo about payments to be made to General Gutierrez in exchange for his cooperation.

■ Clinton Troubled

President Clinton on Thursday called the accusations against General Gutierrez "deeply troubling," but said he was pleased the government had acted promptly to deal with it, Reuters reported from Washington.

Away From Politics

• **The Georgian diplomat involved in a car crash that killed a 16-year-old girl** surrendered to Washington police. The police handcuffed Georgui Makharadze, 35, and booked him on one count of involuntary manslaughter and four counts of aggravated assault in the Jan. 3 crash. *(AP)*

• **Lawrence Singleton, convicted in California more than 10 years ago of** raping a 15-year-old girl and then chopping off her arms, was in custody in Tampa, Florida, facing charges of murdering an unidentified woman. Mr. Singleton, 69, served eight years of a 14-year sentence in California. When he was paroled, no community in California would take him, and he spent almost a month at San Quentin prison before moving to Florida. *(Reuters)*

• **A drug-smuggling ring used a "band of housewives"** as couriers, figuring they would slide through customs easily, federal drug agents said. Some of the women were single, but most had children; some had jobs, and some were on welfare. The Long Island women allegedly got up to $10,000 each to carry the drugs. *(AP)*

• **NASA's Hubble tune-up crew** hung up their space suits and prepared for a rare nighttime landing at the Kennedy Space Center in Florida. *(Reuters)*

BOOKS

BLOOD AND WATER: Sabotaging Hitler's Bomb

By Dan Kurzman. 274 pages. $27.50. Henry Holt.

Reviewed by John Prados

As emphasized with some regularity in the recent controversy over the Smithsonian Institution's exhibit on the atomic bomb and the Enola Gay, the frightful weapon was originally built to combat Germany, not Japan. The fear that Adolf Hitler's Germany could attain such an explosive first, and use it to win World War II, provided powerful impetus in the decision to make the bomb and the drive to design it. What went mostly unexamined in the story of the atomic bomb — until Dan Kurzman gave us "Blood and Water" — was the other side of the coin: the efforts of the Allied powers to prevent Germany's attainment of an atomic capability directly, by destroying necessary equipment and raw materials.

The water of the title is a reference to so-called heavy water, deuterium oxide, a hydrogen-loaded variant liquid that physicists discovered could be used as a moderator, or control mechanism, in a nuclear reactor. The reactor would be a key step along the road to a bomb because it could be used to prepare bomb materials as well as to demonstrate that the nuclear chain reaction necessary to make a bomb work was possible.

German physicists led by Werner Heisenberg were known to be on the road to a reactor. The question was what could be done to keep them from operating one. It happens that the Germans' main source of heavy water was a plant captured when Hitler took Norway in 1940. The plant, Norsk-Hydro, produced chemical fertilizer with deuterium oxide as a byproduct. Allied intelligence knew about the plant from numerous Norwegians in England, and from about mid-1942, when intelligence officers and atomic specialists became alarmed at potential German development programs, there was a growing determination to do something to stop them.

"Blood and Water" is a lively account of Allied efforts to destroy the liquid the Germans needed for the bomb. Dan Kurzman has written previously on subjects ranging from the Spanish Civil War to the German attack on the Warsaw Ghetto, and always tries to produce eyewitness history; "Blood and Water" is no exception.

Kurzman even managed to find a survivor of the ferry sinking in which the Norwegian Resistance finally managed to doom the Germans' heavy water shipment. He does not tell us what led him to decide to write about sabotaging Hitler's atomic bomb, but one clue resides in the fact that another of Kurzman's books ("Fatal Voyage") concerns the sinking of the American cruiser the Indianapolis, the ship used to carry the core components of U.S. atomic bombs to the Pacific Islands from which the final raids would be launched.

The story of the campaign against Hitler's bomb unfolds as a series of successive actions, since for a long time the attempts flopped or fell short of complete success. A commando raid by the British in November 1942 failed tragically when gliders carrying the raiders crashed and one of two tow planes was lost as well.

Norwegian Resistance fighters managed to get into Norsk-Hydro and dynamite machinery in February 1943, but in a few months the Germans had the heavy water plant running again. That September a massive air raid of almost 400 American strategic bombers made another try at Norsk-Hydro, but failed to hit the containers holding stocks of heavy water. The ferry incident in February 1944 — in which the Resistance planted scuttling charges of explosives below decks, just before Germans loaded the ship with their accumulated supply of heavy water — finally crowned the campaign against the German A-bomb with victory. At each step of the way Kurzman lets us see through the eyes of characters as different as the Norwegian shipping manager for Norsk-Hydro and an American B-17 pilot.

In contrast to all this action, however, the background and strategic decisions are handled far more sketchily. Enormous quantities of wartime documents and formerly secret information are now in the public domain — the author cites quite a few of these records. They could have been of use here. What did Churchill say to his generals and intelligence chieftains about attacking the German bomb? Were there conversations between Churchill and FDR? If so, what did they say?

The events in Norway surrounding the German heavy water program constitute one of the most heroic chapters in the saga of resistance to the German occupation there. Eclipsed to some degree because the German atomic bomb never materialized, the campaign to stop it is an unsung success of World War II. In "Blood and Water" Dan Kurzman brings that success to life with verve.

John Prados, the author, most recently, of "Presidents' Secret Wars," wrote this for The Washington Post.

BRIDGE

By Alan Truscott

Almost all team events place a premium on partnership experience and sophistication.

The one exception, rewarding adaptability, is the Betty Kaplan Teams of the Greater New York Bridge Association, in which four players must rotate partnerships. The winners at the New York Helmsley Hotel, were George and Claire Tornay, Judy Tucker and August Boehm.

The best trick of the day occurred on the diagramed deal. Kathy Fallenius, as North, was excited when her partner opened one heart, and after an overcall in diamonds, cue-bid in that suit and continued the game.

Her partner, Barry Rigal, could see little hope of success after the opening lead of the heart four. Leading the diamond nine from dummy offered little hope, and he chose to win the first trick in his hand.

He then made a move entirely appropriate for one who has recently written a book on deceptive play: He led the diamond five. His main thought was that West might win when East held a doubleton honor, which would allow him to develop two diamond tricks subsequently.

But West was confident — overconfident — that his partner held a diamond honor, so he played low. Rigal cheerfully called for dummy's diamond nine by saying, "Win it!" and was both pleased and astonished to find that he had done so. It was then an easy matter to enter his hand with a trump lead and ruff out the diamond ace.

His diamond winner eventually provided a discard for a club loser in the dummy, and there was no way for the defense to take more than three tricks.

Making four hearts gained 10 imps, for in the replay North was the declarer in four hearts and was defeated.

NORTH (D)
♠ A J 2
♡ Q 9 8 6 3 2
◇ 9
♣ Q 6 2

WEST
♠ K 3
♡ J 4
◇ A J 10 7 3 2
♣ A 9 8

EAST
♠ Q 9 8 7 6 5
♡ 7
◇ 6 4
♣ K 10 7 5

SOUTH
♠ 10 4
♡ A K 10 5
◇ K Q 8 5
♣ J 4 3

Neither side was vulnerable. The bidding:

North	East	South	West
Pass	Pass	1 ♡	2 ◇
3 ◇	Pass	3 ♡	Pass
4 ♡	Pass	Pass	Pass

West led the heart four.

POLITICAL NOTES

Jeff Taylor Reuters

Mrs. Clinton reading in a Kansas City hospital — a traditional first-lady touch.

Hillary Clinton Tests New Public Approach

KANSAS CITY, Missouri — The science experiment was straightforward enough. With Hillary Rodham Clinton helping out, the gaggle of squirmy grade-schoolers dropped one object after another into a plastic tub of water to see which would sink and which would float. The marble sank. The pencil floated.

In her own fashion, Mrs. Clinton these days is conducting a sink-or-float experiment, too, testing out political themes and techniques to find the right combination for the second Clinton term.

Her first major trip outside of Washington since the inauguration could serve as a metaphor for how she intends to proceed. During a two-day swing through the Midwest that ended Wednesday night, she tried a blend of soft-and-fuzzy, traditional first-lady types of events — such as reading to children in a hospital — and more policy-oriented speeches where she jawboned local officials and community leaders about their responsibilities to reshape welfare.

"You have different needs at different points in time," she said during a brief interview. "We are living in a more entrepreneurial time, so that you have to be constantly evaluating the solutions that you're bringing." *(WP)*

Republicans Fete Givers At Fancy Florida Resort

PALM BEACH, Florida — Just as Republicans in Washington are preparing to investigate fund-raising practices by Democrats, top Republicans gathered here at a century-old, oceanfront luxury resort as a reward to their biggest contributors.

By giving at least $175,000 over four years to the Republican National Committee, more than 200 corporations and individuals earned invitations to the Italian Renaissance-style Breakers Hotel. The chief draw: the chance to rub elbows with the nation's Republican leaders, including the Senate majority leader, Trent Lott of Mississippi, the House speaker, Newt Gingrich of Georgia, and the chairman of the House Appropriations Committee, Robert Livingston of Louisiana.

Party literature says the contributors, known as Team 100 because their donations begin at $100,000 apiece, will be treated to "the fullest package of membership benefits of any political organization."

They pay their own expenses at the Breakers, where nightly room rates are $295 to $2,100. Expenses for the members of Congress are picked up by the Republican National Committee — in other words, by its 1.2 million donors, including Team 100.

The three-day private event featured an address to the contributors Wednesday by Mr. Gingrich. On Thursday, congressional leaders took part in panel discussions on the party's legislative agenda. Friday is for golf, tennis and boating. *(NYT)*

Budget Amendment Risks Loss of Supporter

WASHINGTON — Senator Tim Johnson has decided to oppose a proposed balanced budget amendment to the constitution, Democratic sources said Thursday, dealing a sharp blow to the measure's chances for passage.

The South Dakota Democrat voted for the same amendment two years ago while a member of the House. But the sources, speaking on the condition they not be identified, said he had been heavily influenced by concerns that Social Security would be threatened by the amendment.

His opposition would give foes of the amendment 33 sure votes, according to tallies kept on both sides of the issue, one shy of the total needed to assure its defeat.

Other than Mr. Johnson, only two senators remain publicly uncommitted on the issue, which is expected to come to a final vote in the Senate by early March.

The amendment would require a balanced budget by 2002 and require a three-fifths vote of both houses of Congress to run a deficit in any year thereafter. *(AP)*

Quote/Unquote

President Bill Clinton, describing his approach to crime as he outlined a package of legislation aimed at youth violence and particularly gang activity: "Tough when you should be tough, smart when you should be smart, compassionate when you should be compassionate." *(WP)*

Antonio de Almeida, Conductor, Dies

The Associated Press

PITTSBURGH — Antonio de Almeida, 69, music director of the Moscow Symphony Orchestra and an authority on French classical music, died of cancer here Tuesday.

Mr. de Almeida researched, performed and recorded an unusual repertoire. At his death, he was recording all the symphonic works of the 20th century French composer Henri Sauguet. He was involved in the revival of rarely performed 19th century French operas, and conducted the first complete recordings of Halevy's "La Juive" and Thomas's "Hamlet."

He was a leading authority on the operettas of Offenbach and general editor of a critical edition of the composer's works and of a complete thematic catalogue. Several years ago he conducted a scholarly version of "The Tales of Hoffmann," using unpublished material left by the composer, who died before completing the opera.

He studied music in Argentina with Alberto Ginastera and later with Paul Hindemith at Yale.

Before his appointment with the Moscow Symphony in 1993, Mr. de Almeida's permanent posts included musical directorships with the Stuttgart Philharmonic and the Nice Opera and Philharmonic, as well as numerous regular guest conducting posts.

Leo Rosten, Humorist And Expert on Yiddish

NEW YORK (AP) — Leo Rosten, 88, a Yiddish lexicographer and humorist whose works introduced mainstream America to "The Joys of Yiddish," died Wednesday.

Mr. Rosten wrote dozens of works of fiction and nonfiction in a six-decade career. His 1968 best-selling guide to Yiddish expressions, "The Joys of Yiddish," has become the standard work on the language.

He emigrated from Poland with his family in 1911, and earned a doctorate in political science at the University of Chicago in the 1930s. In 1937, he expanded a New Yorker article into the book "The Education of Hyman Kaplan," and followed it up with two sequels.

Mr. Rosten also wrote a sociological examination of the film industry, "Hollywood: The Movie Colony, the Movie Makers" (1941), a study of the Washington press corps, "The Washington Correspondents" (1937), "The Joys of Yinglish" (1989), two mystery novels and numerous screenplays.

Warren Weaver Jr., 74, who covered politics and government in Albany, New York, in Washington and across the country for The New York Times for virtually all his 42 years as a reporter, died Wednesday in Washington of complications of diabetes.

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Carrot Approach Might End Impasse Over Korean Defector

By Andrew Pollack
New York Times Service

SEOUL — Food aid that South Korea and the United States say they will provide to North Korea could help lead to a resolution of the impasse over a high-ranking North Korean defector.

Some people familiar with the situation say that prospects are brightening that the defector, Hwang Jang Yop, will be able to come to Seoul from Beijing, where he has been holed up in the South Korean Consulate seeking asylum since Feb. 12.

But South Korean officials said progress in the negotiations was slow.

"We are neither pessimistic or optimistic," said a senior government official.

China, which wants to maintain good relations with North and South Korea, has been in a delicate position regarding Mr. Hwang and has said resolving the problem would take time.

After first insisting that Mr. Hwang had been kidnapped, though, North Korea has now made statements saying he is a "renegade" and implying he could leave. If those public statements truly reflect North Korea's stance, then China will have found an opening and could move swiftly, some officials said.

South Korean officials insist the question of food aid is not linked to that of Mr. Hwang and was under discussion well before his defection. But South Korea's decision to go ahead with its aid could hasten North Korea's acceptance of Mr. Hwang's defection, the senior official said.

South Korea announced Thursday that it would provide $6 million in assistance to North Korea through the United Nations, up from the $3.2 million it gave last year. The announcement followed one by the United States in Washington that it would donate $10 million, up from $6.2 million last year.

Both aid packages will go toward helping relieve widespread starvation in the Communist nation that has been brought about by severe floods, the loss of aid after the Soviet Union collapsed and a general economic breakdown.

North Korea has also agreed to attend a briefing by South Korea and Washington on proposed peace talks aimed at formally ending the Korean War, U.S. and South Korean officials said.

■ Deng's Death Delays Talks

Talks on the fate of Mr. Hwang have been put on hold by the death of Deng Xiaoping, Reuters reported from Seoul, quoting South Korean officials Thursday.

"China and South Korea share the same Asian tradition, and you just don't want to disturb mourning people," a Seoul Foreign Ministry official said of the talks on Mr. Hwang. "We will refrain from raising Hwang's issue with Chinese officials for the time being."

10,000 to Honor Deng At Great Hall of People

Funeral Is Expected to Bolster Jiang

By Steven Mufson
Washington Post Service

BEIJING — Ten thousand invited guests will pay tribute to Deng Xiaoping at a televised memorial meeting at the Great Hall of the People on Tuesday, the committee planning Mr. Deng's funeral announced Thursday.

Unlike Mao, whose body was viewed by 300,000 people and then embalmed and placed in a mausoleum in the middle of Tiananmen Square, Mr. Deng requested cremation. He asked that his corneas be donated to an eye bank, his body dissected for the purpose of medical research, and his ashes cast into the sea, his family said in a Feb. 15 letter made public Thursday by the official Xinhua press agency. There will be no ceremony for paying last respects to his remains, the funeral committee said.

"Comrade Xiaoping always believed in simple and frugal funerals," Mr. Deng's family said in the letter sent to the Communist Party chief, Jiang Zemin, and the party's Central Committee. "We hope that the last thing we do for him will reflect the essence of his mental outlook, and express our grief in an utterly plain and solemn way."

The funeral will not only be the closing political act for Mr. Deng, who entered politics in his midteens, but also be the opening act of a highly political year that will climax in a major Communist Party congress in the fall of this year that is expected to reshuffle several of the top posts.

For Mr. Jiang, who is China's president as well as the party chief, the funeral offers an opportunity to try to further cement his position as the country's top leader. He will be seen on national television inheriting the mantle of leadership from the man who handpicked him in 1989, and leading the call to rally around flag, party and leadership.

"Party organizations at all levels should organize officials and the masses to listen to or watch the live transmission of the memorial meeting," the funeral committee said in a statement.

Mr. Jiang also is acting as chairman of Mr. Deng's funeral committee. Though such committees for top Communist leaders frequently have one or more deputy chairmen, Mr. Deng's funeral committee has none, which some analysts saw as an attempt by Mr. Jiang to set himself apart from potential rivals.

■ Condolences From Leaders

Messages of condolence and praise poured in from around the world, news agencies reported.

"In the course of this century, few men have, as much as he, led a vast human community through such profound and determining changes," said President Jacques Chirac of France.

President Boris Yeltsin of Russia said that Mr. Deng had made a great contribution to "removing the vestiges of the past from Russian-Chinese relations" and pushed the former rivals to an "equitable and trustful partnership."

In Washington, President Bill Clinton expressed his sadness and called Mr. Deng an "extraordinary figure on the world stage over the past two decades."

He said he did not expect Mr. Deng's death to lead to sharp deviations from China's present course.

The U.S. State Department said a trip to China next week by Secretary of State Madeleine Albright was expected to proceed as planned.

The office of Prime Minister John Major of Britain said that Mr. Deng's "initiative played the crucial part in creating today's economically dynamic and successful China."

Chancellor Helmut Kohl of Germany said that Mr. Deng "counts as one of the great leadership personalities of China's recent history." Prime Minister Ryutaro Hashimoto of Japan said he was filled with great sadness at Mr. Deng's death and hoped his passing would not affect Japanese-Chinese relations, which he said were of growing importance for peace and stability of the world.

President Kim Young Sam of South Korea said he was saddened but hoped that Seoul's friendly ties with Beijing would strengthen. *(Reuters, AP)*

A Man Who Loved Milk and Cigarettes

Reuters

BEIJING — Deng Xiaoping was an avid bridge player who relished a croissant and a glass of milk — a taste he acquired in France as a youth — loved playing at the seaside with his grandchildren and did not balk at sending in troops to crush unarmed, rebellious students.

A chain-smoker who was fond of keeping a spittoon at his feet in meetings with foreign dignitaries, the diminutive ruler possessed a personality as peppery as the cuisine of his native Sichuan Province.

In his book "Mandate of Heaven," Orville Schell wrote of Mr. Deng: "Unsentimental and humorless, he seemed to have few qualms of conscience, and little compunction to ingratiate himself with others through convivial chatter."

He was a "nasty little man," Henry Kissinger, the former U.S. secretary of state, said of the man who ruled China in the 1980s and much of the '90s and stood just 1.5 meters (5 feet) high in the white socks he preferred.

It was in internal exile that Mr. Deng honed his skill at bridge by playing all four hands and studying the intricacies of strategy.

Jason Reed/Reuters

Tung Chee-hwa, Hong Kong's future leader, mourning Deng Xiaoping.

Civil Servants In Hong Kong Will Remain After Takeover

Compiled by Our Staff From Dispatches

HONG KONG — Hong Kong got a powerful confidence boost on Thursday as the chief executive-designate Tung Chee-hwa announced that virtually all of the territory's top civil servants would be allowed to stay in office after China takes over on July 1.

Hong Kong's popular and influential chief secretary, Anson Chan, deputy to the departing British governor, Chris Patten, will serve as Mr. Tung's No. 2 when Hong Kong reverts to China on July 1. Her post will be renamed administrative secretary.

Financial Secretary Donald Tsang will also stay on as Hong Kong's top economic policy planner, a decision likely to be welcomed by the markets.

Mr. Tsang said his principal consideration was "that they are good," and second, that it is most important during the transition that there are as few changes as possible. He was speaking upon his return from Beijing, where he won approval for his list.

Although unconnected with the death Wednesday of Deng Xiaoping, China's senior leader, the announcement was a timely one. It is likely to have a calming effect on those in Hong Kong who fear instability now that Mr. Deng is dead.

Mr. Tung said Beijing's almost instant approval showed "tremendous confidence not only in myself, but in Hong Kong, and our ability to manage our own affairs."

The fate of the 23 top officials in the outgoing British colonial regime had aroused intense guesswork and fears that those seen as out of step with Beijing's thinking would be fired.

Mr. Tung's list of top officials showed only two departures: Attorney General Jeremy Mathews is British and would not have met the nationality criteria for high office in postcolonial Hong Kong, and Michael Leung had already decided to retire as head of the Independent Commission Against Corruption.

Mr. Mathews will be replaced by Elsie Leung, and Lily Yam will take Mr. Leung's place.

Mr. Patten welcomed the announcement, calling it "reassuring news."

One key position not yet chosen is that of chief executive of the Hong Kong Monetary Authority, the territory's central bank. It is currently held by Joseph Yam. *(AP, Reuters)*

BRIEFLY

Eight Die in Attack On Iranian Center

MULTAN, Pakistan — Gunmen attacked an Iranian cultural center in Punjab Province on Thursday, killing eight people, including its Iranian director, government officials said.

They said gunmen had forced their way into the cultural center in Multan, in southern Punjab, and started shooting indiscriminately.

A government statement said that, apart from the center's director, Mohammed Ali Rahimi, the seven other people killed were Pakistanis, including a policeman and a civilian guard.

It was the second attack on an Iranian cultural center in Pakistan in a little over a month. A center in Lahore was burned Jan. 19.

A statement by the Iranian consulate general in Lahore blamed unspecified "anti-Islamic agents of world imperialism" for the attack Thursday, but Shiite groups in Pakistan attributed the attack to Sunni Muslims.

The Punjab police chief, Mohammad Amin, said suspects had been arrested, but he would not disclose their identity. *(Reuters)*

Cambodia Fighters Hold 15 Hostages

PHNOM PENH — Hun Sen, one of Cambodia's co-prime ministers, said Thursday that the Khmer Rouge was holding 15 government officials as hostages.

"I am worried about the safety of our brothers, but we are trying to find a solution," he said.

The officials, who include the deputy governor of Siem Reap province, Hem Bunheng, had flown to the Khmer Rouge base at Anlong Veng, on the Thai border, last week in the hopes of recruiting defectors to the government side, but never returned from their mission.

Government officials fear the missing team is being used to win leverage in negotiations for further defections. *(Reuters)*

Thailand Closes Vietnamese Camp

BANGKOK — The last camp for Vietnamese refugees in Thailand was officially closed Thursday, more than two decades after the first asylum-seekers arrived.

A relief official said "no more than a handful" of refugees remained in the Sikhiu refugee camp after a busload left for a flight to Vietnam under the voluntary repatriation program.

Those remaining would either have to sign up for voluntary return, which gives incentives to the returnees, or get sent back forcibly, the official said. *(AFP)*

VOICES From Asia

Lakshman Kadirgamar, foreign minister of Sri Lanka, ruling out third-party mediation to end the 13-year-old separatist war: "Third parties coming here is absolutely out of the question. This is an internal matter." *(Reuters)*

MANDATE: *China Chiefs Seek to Hold Authority Given by Deng*

Continued from Page 1

are scarcely known outside China but whose seniority and contribution to the party always gave them a seat at Mr. Deng's table.

Some of them, like Chen Yun and Yao Yilin, have died. But a powerful constellation remains, among them Peng Zhen, the former mayor of Beijing, and Song Ping, a party ideologue, Bo Yibo, Song Renqiong, Wan Li and Yang Shangkun.

None cuts the profile of Mr. Deng, but their power is as certain as it is invisible.

After lingering for so long, Mr. Deng could not have departed at a more sensitive moment — as the party prepares to celebrate the return of Hong Kong to Chinese sovereignty, one of Mr. Deng's greatest achievements, and as it prepares for a major congress to ratify the leadership lineup that will lead China into the next century.

The congress this year will be the first at which Mr. Jiang stands alone.

"As long as Deng was alive, Jiang's position was unassailable," said Kenneth Lieberthal, a professor of political science at the University of Michigan.

Mr. Deng's death opens up two key areas for political discussion that were off-limits while he was alive, in Mr. Lieberthal's view: criticism of Mr. Deng himself and a reappraisal of the 1989 crackdown.

"Jiang's position is still very strong," Mr. Lieberthal said. "But having said that, with Deng now gone, those who wish to cut back Jiang's role can do so by criticizing Deng. They can say that Deng was a great man but that he made some mistakes. Since one of Deng's acts was to pick Jiang, it opens the door for critics of Jiang."

As a witness to the last party congress, in 1992, when Mr. Deng choreographed the resignations and promotions that enhanced Mr. Jiang's chances to consolidate his own position at the top of the party, Mr. Jiang understands how much he is now flying solo.

The most difficult question he faces is what to do with Mr. Li, who must step down a year from now after two consecutive five-year terms as prime minister.

With Mr. Deng gone, the Chinese will want to know whether their president has the ability to pull off a major reshaping of the party or whether his vision and authority will be challenged by some collection of opponents who, freed by Mr. Deng's death, will make their move.

There is no shortage of challengers.

It was just five years ago that many Chinese looked to Yang Shangkun, now 90, as the man who would inherit Mr. Deng's role as paramount leader, leaving Mr. Jiang to run the party and Mr. Li to run the government.

After lingering for so long, Mr. Deng could not have departed at a more sensitive moment — as the party prepares for a major congress this year to ratify China's leadership lineup.

But Mr. Yang, an old revolutionary like Mr. Deng, met his political demise in the summer of 1992 when he turned against the Deng leadership team of Mr. Jiang and Mr. Li.

Many Chinese who lost their jobs or went into exile after the events of Tiananmen have harbored the hope that Mr. Yang could stage a political comeback after Mr. Deng's death and demand the rehabilitation of Mr. Zhao, the former prime minister and party general secretary, as the party's preeminent reformer.

Mr. Zhao was stripped of all of his titles after refusing to order a military assault on the student demonstrators in 1989, but he retains his party membership even as he lives out his days in a closely guarded courtyard home in central Beijing.

These political exiles and reformers-in-waiting see Mr. Zhao's rehabilitation as the key that would unlock a whole series of possibilities for democratic reform and bring to an end the hard-line rule that has characterized the era of the current leadership.

Such bold steps would immediately reopen the question of the party's condemnation of the Tiananmen uprising as a "counterrevolutionary rebellion," a judgment that still divides Chinese society here and abroad.

Like no other event in modern Chinese history, the 1989 massacres, played out before a global television audience, changed a buoyant world view of emergent China and replaced it with a paradigm of the repressive state that jails its political and religious dissidents and traffics in nuclear technology and ballistic missiles to unstable parts of the world.

But the party may not be ready for such a wrenching and dangerous re-evaluation, as it would immediately raise the issue of culpability for the hundreds, if not thousands, of deaths that occurred during the military crackdown.

It is hard for many Chinese to imagine that such a re-evaluation could occur while Mr. Li is in power, which is also undoubtedly one of the reasons why the prime minister so tenaciously holds on to power.

He is now fighting to stay on in a key role after he steps down next year, and he need only look at South Korea's treatment of retired leaders who sent troops against unarmed students for his motivation to remain on the political stage.

It is his best protection.

But Mr. Li has a host of enemies who would like to to change the face of China's future by foreclosing his and resurrecting the earlier and more promising paradigm of China as a more open and tolerant society interested in political reform.

Mr. Deng, who fought so hard to resist any idea of revisiting the Communist Party's decision to send tanks and machine guns against the pro-democracy movement, may, in his dying, have allowed debate on the matter to begin.

It may take more time than many Chinese hope, but as Mr. Deng's daughter and biographer said in 1995, reversing the verdict of Tiananmen "is for the people who come after" to debate.

Deng's Ashes to Get Special Treatment At Crematorium

Reuters

BEIJING — The crematorium used to incinerate top Chinese leaders will use a new, specially purchased incinerator to cremate Deng Xiaoping to avoid mixing his ashes with those of lesser men, people close to the matter said Thursday.

The Babaoshan crematorium in western Beijing, used for almost all Chinese leaders who have "gone to meet Marx," had arranged in advance to import and install a new furnace for Mr. Deng, who died late Wednesday, they said.

Officials at the crematorium had been afraid that, if an existing incinerator were used, some of Mr. Deng's ashes could be mixed with those of other clients, these people said.

A Babaoshan official said that he was unaware of new incinerator purchases and that the crematorium had yet to receive any directions on handling Mr. Deng's remains.

"We are not clear at the moment if Deng Xiaoping's funeral will be held here," he said.

Beijing has long tried to protect precious farmland by curbing the traditional practice of burial of the dead and by encouraging cremation instead.

Mr. Deng's predecessor, Mao Zedong, received a different treatment. His corpse was preserved after his death in 1976 and is displayed in a mausoleum built in his memory in central Beijing's vast Tiananmen Square.

HONG KONG: *New Uncertainties Ahead*

Continued from Page 1

autonomy." Now, with only 130 days remaining before the Union Jack is lowered for the final time, China's embrace of Hong Kong has already become more snug.

China has invested more than $25 billion in Hong Kong, with Chinese companies and banks assuming control or influence over major strategic industries, including the local airline and the power company.

And Hong Kong has been the overwhelming source of foreign investment in China, ranging from small clothing companies to power plants, and from roads to the sprouting skyscrapers of Shanghai.

China has already established Hong Kong's next government: Tung Chee-hwa, a shipping magnate, has been named the territory's first Chinese chief executive and a hand-picked legislature has been chosen. An advance contingent of Chinese troops is expected to arrive here soon.

But now that Mr. Deng is dead it remains to be seen whether Hong Kong can resist the encroachments from China, not only from Beijing, but also from vast numbers of Chinese national, provincial and municipal companies, as well as from the children of high-ranking officials who have emerged as wheelers and dealers in China.

According to Andrew Nathan, a professor of Chinese politics at Columbia University, "Hong Kong is a happy hunting ground for the *gaogan zi di*" — the children of senior officials.

"Hong Kong has lost a potential protector," he said. "I don't know if Jiang Zemin" — China's president and the head of the Communist Party — "has the ability to tangle with these people."

Still, Hong Kong's return to China is all but accomplished. What remains unsettled in the minds of China's leaders is the stubborn rebelliousness of Taiwan.

Indeed, the fate of Taiwan — which is becoming a full democracy and moving vigorously to expand its international stature — is very likely to become bound up in the power struggles in Beijing that will grip China's leadership now that Mr. Deng is dead.

Despite the disparate and competing interests of China's leaders — who are divided by regional prejudices, differing economic strategies, military pressures and ideological divides — the single flag around which the leadership rallies is the banner of nationalism. And at the heart of this nationalist passion is the goal of retaking Taiwan.

"The voices that advocate keeping a very tough line on Taiwan will be louder," said Professor Nathan. "I think Taiwan, Hong Kong and Japan should be concerned about this. There is a line of argument in China that the U.S. is hostile, that it is using Taiwan as a Trojan horse against China."

Last year, as Taiwan went to the polls in the island's first presidential election, China fired a series of missiles off Taiwan's coast and staged large-scale military exercises to intimidate Taiwan. The United States responded by stationing two aircraft carrier battle groups off Taiwan's coast.

In Taipei early on Thursday morning, an official told Reuters that the Taiwan government would not alter its approach toward China now that Mr. Deng was dead.

"We hope that people treat this matter calmly," said Shi Hwei-you, the vice-chairman of the Mainland Affairs Council, the body that sets Taiwan's policies toward Beijing. "The government has already had policies for the post-Deng period. It will not change policies."

Still, most political leaders and diplomats in Asia do not expect Beijing to focus intensely on Taiwan until after Hong Kong returns to Chinese sovereignty. And if Hong Kong manages to remain the vibrant place it is today, China's leaders will offer it as an example of how Taiwan could return to China while retaining its distinctive way of life.

This was Mr. Deng's strategy. A man who was known for keeping his promises, Mr. Deng vowed to be present when the five-starred Chinese flag was raised over Hong Kong. It was one promise he could not keep.

EUROPE

'Eurocrats,' the Faceless Functionaries That Everyone Loves to Hate

By Craig Whitney
New York Times Service

STRASBOURG — "Stateless functionaries without faces," Charles de Gaulle once fumed at the European bureaucrats in Brussels.

"Federasts," Margaret Thatcher hissed at those she suspected of wanting to run a federal Europe that would make Brussels a sort of Washington, D.C. and relegate London, Paris and Berlin to the status of U.S. state capitals.

Traditionally, even before Mrs. Thatcher's era, or de Gaulle's, the so-called Eurocrats have been accused of trying to regulate European life with arcane specifications for everything from the size of condoms to the number of bacteria permitted in runny cheese, and forcing Germans *to buy small* bananas from the Caribbean instead of the bigger ones from Latin America that they preferred.

While EU quotas on Latin American bananas were, indeed, imposed, it is sometimes difficult to distinguish fact from Eurorumor, and the public always seems to believe the worst when it comes to bureaucrats. Indeed, even when they just mind their own business, the Eurocrats seem to court punishment, as two cases this week demonstrated.

On Wednesday, the European Parliament, discussing "mad cow" disease, determined that European Union officials hadn't meddled enough: They voted to censure the European Commission, the EU's executive body, and its *president, Jacques Santer, for failing to regulate* the British beef industry adequately in the period from 1990 to last year, when action was taken.

"Consumers should be entitled to know where meat is coming from," Agnes Schierhuber, an Austrian deputy, said Wednesday. "Now it is up to the commission to take technical measures that will help small farmers."

In other words, the bureaucrats should now come up with still more regulations.

Also on Wednesday, the judges of the European Court of Human Rights in Strasbourg declined to invalidate prison sentences imposed by Britain on three people for causing bodily harm while indulging in sado-masochistic sexual activities, leaving itself open to criticism by backers of EU provisions protecting the behavior of consenting adults.

The 15-member European Union and its executive body are based in Brussels, which is home to about 13,200 Eurocrats with various duties. The European Court and the elected European Parliament are based in Strasbourg. *Overall there are about 21,000 Eurocrats.*

The people in EU countries have their own fears, chiefly that more and more decisions that used to be made in national capitals by elected officials whose names everybody knows are going to be made, in the Europe of the future, by faceless people who almost nobody knows.

After 1999, if all goes according to plan, anonymous European central bankers in Frankfurt may decide what a new common currency called the euro is worth, with or without the express consent of the elected national leaders who now have more control over the French franc or the Deutsche mark. Many of the same people who are quick to attack the bureaucrats in Brussels look to European institutions like the Court of Human Rights, which is connected to the 40-member Strasbourg-based Council of Europe, to protect them from what they see as injustice at home.

That, for example, was what Roland Jaggard, Anthony Brown and Colin Laskey expected in 1993 after their unsuccessful appeals in Britain *against convictions for having caused bodily* harm in the course of sado-masochistic activities involving them and more than 40 other men. Mr. Laskey died of a heart attack in May 1995.

The men's lawyers argued that the injuries suffered were minor, and a result of consensual homosexual activity that harmed nobody outside their sado-masochistic circle, and asked the European court to rule that arresting, prosecuting and jailing the men was a violation of a provision of the European Convention on Human Rights.

The convention guarantees the right to respect for private life and outlaws interference with that right by public authorities in the interest of public safety, health or morals.

"In sum, the court finds that the national authorities were entitled to consider that the prosecution and conviction of the applicants were necessary in a democratic society for the protection of health," the court ruled Wednesday.

While that ruling will draw flak from some, had the court overturned the convictions — which had been upheld by the British House of Lords — *it would probably have been attacked* by xenophobic British newspapers for yet another assault on ancient sovereign British institutions.

Many assaults on bureaucrats do turn out to be Eurorumors. "Never did the European Union envisage reducing the diameter of cigarettes, requiring firefighters of member states to wear navy blue pants, or protecting maggots by banning their use in fishing," the French magazine Le Point wrote two years ago. But many people still believe it did, just as they believe that it decreed a standard size for male contraceptives.

Clashes Erupt In Tirana Over Fraud Losses

TIRANA, Albania — More than 4,000 anti-government protesters clashed with the police Thursday as they tried to march toward Tirana's central square following a rally at which speakers demanded that the governing party step down.

The crowd, angered by the government's handling of the pyramid-scheme crisis, threw rocks as they breached police lines. Plainclothes and uniformed police threw the stones back. Reinforced by riot police, they forced most of the crowd to retreat.

One officer fired warning shots, riot police beat back protesters with sticks, and two cars careered toward the demonstrators, sending people scurrying. One man's face was bloodied, and another man was bleeding from the hand.

About 150 people managed to push through the lines, but were blocked by the police. The group then sat down in the road, shouting that President Sali Berisha was to blame for the crisis.

The clashes took place after about 7,000 anti-government protesters demonstrated peacefully at a soccer field in an outer suburb of the capital.

Witnesses said a group of demonstrators broke off from the main group and started to march toward the city center.

They breached a police cordon in the capital that had been set up to hold them back, coming up against riot police.

Helene Pastoor/The Associated Press

A woman breaking down in tears in Tirana on Wednesday after she learned that she could no longer collect interest on money she invested in VEFA Holding, a pyramid investment scheme that declared insolvency.

Many demonstrators chanted, "Vlore, Vlore. Down with the dictatorship." They were referring to the southern Albanian town where three people died in riots last week.

Witnesses said that the police had taken control but that protesters were again trying to move toward Tirana's center.

Albania has been rocked by a month of riots and protests since five fraudulent pyramid investment schemes collapsed in January, wiping out the savings of tens of thousands of people.

Investors have blamed the government, saying it failed to regulate the schemes or to warn investors of danger.

The police permitted the demonstration by opposition parties in the distant suburb Thursday while Mr. Berisha addressed a peaceful rally of about 5,000 supporters in the center of the capital.

(AP, Reuters)

Unemployment Will Plague EU, Dutch Chief Says

By Tom Buerkle
International Herald Tribune

THE HAGUE — Giving a sober assessment of Europe's economic outlook, Prime Minister Wim Kok of the Netherlands on Thursday cautioned that the European Union's high unemployment rate would take years to bring down, and he effectively criticized fellow national leaders for dragging their feet on labor-market and welfare reform.

But the economic weakness should not deter Europe from going ahead with a single currency in 1999, Mr. Kok said, even if it involved only a small number of countries at first. Monetary union would bind Europe economically and politically, he said, and the reforms required to meet the single-currency criteria "will give a stronger basis for Europe's competitive position in the world."

In an interview at his office in the Dutch capital, Mr. Kok said he had no concerns about Germany's ability to reduce its deficit to the single-currency requirement, despite high unemployment. He also endorsed German demands for strict compliance with the criteria and expressed hope that as many of the 15 EU countries as possible would do so.

Mr. Kok said governments should accelerate their efforts at labor-market and welfare reform. "The speed of change and adapting to the new realities is somewhat slower than the urgencies of globalization," he said.

BRIEFLY

Italy's Ex-Marxists Urge Leftist Unity

ROME — The leader of the Democratic Party of the Left, the former Communists and the largest group in Italy's *governing coalition, opened a* party congress Thursday with an appeal for leftist unity as it mulls over its future in Europe.

"We want to create in Italy a left that is more united, tied to Europe," the party leader, Massimo D'Alema, told the congress. Mr. D'Alema urged the gathering to "rethink and relaunch the cause of the left and see to it that the Italian left becomes more united and stronger." *(Reuters)*

Truckers End Strike

MADRID — Spanish truckers went back to work Thursday after a two-week strike that caused billions of pesetas of losses but was seen as a victory for the young conservative government in its first big labor conflict.

The truckers called off the strike late Wednesday after the government met some of their demands. The truckers won promises for a cut in diesel prices, but not for retirement at age 60. *(Reuters)*

Polish Vote for Jews

WARSAW — Parliament approved a law Thursday that returns cemeteries, synagogues and religious buildings to Jewish communities in Poland and allows an international Jewish organization to take part in their maintenance.

Restitution of Jewish private property confiscated during World War II will be legislated separately.

The lower house voted, 339 to 34 with 30 abstentions, to return Jewish religious property to the ownership of the nine Jewish communities in Poland. *(AP)*

French Poster Stands

PARIS — Two judges refused Thursday to ban posters advertising "The People vs. Larry Flynt," a Hollywood film about pornography and press freedom, after complaints that *they offended Christians.*

The judges rejected pleas by a group of Roman Catholics and a rightist association that the posters, showing a semi-nude actor in a crucifix-like position against a backdrop of a woman's loins, were an infringement on religious freedom. *(Reuters)*

EU Censure Fails

BRUSSELS — Heeding promises by the European Commission to improve consumer health protection, the European Parliament rejected a no-confidence motion Thursday that would have forced the resignation of the EU's executive because of its handling of the "mad cow" crisis.

The censure motion was defeated by a vote of 326 to 118, with 15 abstentions. *(AP)*

TOWARD A GLOBAL CIVILIZATION: Constructive Ideas For A Better Future

Soka Gakkai International President Daisaku Ikeda's 1997 Peace Proposal

These figures present a portrait of our world.
A world of violence, inequality, and disregard for human dignity.
Is this the kind of world we want to leave for future generations?
Don't they deserve better?
Don't we?

40 million people die each year from hunger-related diseases: that's equivalent to 300 jumbo-jet crashes a day--with no survivors, and half the passengers are children.

85% of the world's coral communities are already damaged. The marine equivalent of tropical rainforests, a single coral reef may contain 3,000 species of coral, fish and shellfish.

In the past decade, an estimated 2 million children have been killed in armed conflict. An additional estimated 6 million children have been seriously injured or permanently disabled.

Globally, there are some 110 million landmines lying in wait for their victims. A person steps on a mine every 20 minutes. In Cambodia, one out of every 234 people is an amputee.

Worldwide military expenditures are US $600-800 billion a year, or a million dollars a minute. One US dollar can buy a landmine; clearing it can cost $300 to $1000. To clear the world of all landmines would cost between US $33-85 billion.

Civilian fatalities in wartime climbed from 5% at the turn of the century to 15% during the first World War to 65% by the end of World War II and to more than 90% in the wars of the 1990s.

Hunger, armed conflict, environmental degradation and the worldwide refugee population increase at shocking rates. The facts are so mind-boggling that it's hard to absorb the portrait of our world they contain. However the numbers speak for themselves, and people concerned for the well-being of their fellow human beings cannot ignore this reality. We cannot afford to bury our heads in the sand. Yet what practical steps can be taken to reverse these overwhelming trends? Soka Gakkai International (SGI) President Daisaku Ikeda tackles these issues in his 1997 Peace Proposal titled "Toward A Global Civilization." His ideas on peace, published annually in a peace proposal format, focus this year mostly on nuclear disarmament and environmental protection.

Change Begins With The Individual

It is impossible, he believes, to create lasting structural changes without first addressing the needs of the individual. This concept, which he refers to as "human revolution," is centered on the belief that an empowerment and fundamental positive change within even one person has the energy to affect human society as a whole. Each person therefore deserves utmost respect, and no human life should ever be sacrificed for any so-called "greater" ideal. The Buddhist philosophy that Mr. Ikeda embraces teaches that the ills of society reflect the collective ills of the individuals that make up that society, so the solution to these problems may only be found beginning with each individual.

Nuclear Disarmament

In the peace proposal, nuclear-weapon states are urged to initiate negotiations toward the early conclusion of an international convention banning nuclear weapons based on the example of the Chemical Weapons Convention. This Convention, slated to enter into force this April, is a precedent-setting treaty with the kind of broad-based verification regime that assures transparency and reliability. Nuclear-weapon states, moreover, should make public commitments not to permit an increase in the size of existing stockpiles of weapons. Nations possessing nuclear weapons should also offer guarantees not to use or threaten the use of nuclear weapons against non-nuclear-weapon states. According to Mr. Ikeda's proposal, it's important to consider peace as more than merely the absence of war. The concept of national security needs to be supplanted with the concept of "human security." Peace needs to be understood as the guarantee of those conditions in which each individual can fulfill his or her highest creative potential.

Sustainable Development

The concept of sustainable development is an expression of what environmental ethicists refer to as intergenerational justice. At the same time, the North-South development gap forces the consideration of social justice on a global scale. This year is the first year of the International Decade for the Eradication of Poverty, which provides new opportunities for international society, under the aegis of the United Nations (UN), to face the challenges of human development. A sense of solidarity with future generations compels us to resolve the present crisis in our lifetime. The Charter of the UN begins with the inspiring words "We the peoples." Now, more than ever, it is necessary to return to the original, democratic ideals of the international organization and listen to the voices of all the inhabitants of this planet.

This proposal is an invitation to envision a different future.
A future that starts with you.
A future that starts now.

Half of all the species alive today could be extinct by the year 2050. Two-thirds of the world's bird species are presently endangered and one out of 10 faces extinction. 50 plant species become extinct everyday. One of 10 known mammals are threatened or endangered.

ABOUT HALF OF THE 57.4 MILLION PEOPLE DISPLACED BY WAR ARE CHILDREN.

Between 1980 and 1990, 9.95 million hectares of forest--an area roughly the size of the Republic of Korea--disappeared each year.

In 1995 the world's nuclear arsenal contained 40,640 nuclear warheads--42% less than existed in 1986. The US and Russia account for 97% of the world's nuclear arsenal.

More than a billion people in the world lack access to safe drinking water. According to the United Nations Commission on Sustainable Development, two-thirds of the world population, 5.5 billion people, will suffer from water shortage by the year 2025 unless water supply management is improved.

In 1995, 30 major armed conflicts were waged in 25 locations around the world. Wars have been running in Afghanistan for 18 years; Angola, 31 years; Liberia, 7 years; Sri Lanka, 12 years; and Sudan, 13 years.

INTERNATIONAL

Kremlin Unmoved as Albright Tries to Allay NATO Fears

By Michael Dobbs and David Hoffman
Washington Post Service

MOSCOW — Secretary of State Madeleine Albright met a cool reception Thursday as she sought to persuade Russian leaders that they had nothing to fear from the proposed expansion of the North Atlantic Treaty Organization to the borders of the former Soviet Union.

As Mrs. Albright flew into Moscow, on the sixth leg of her 11-day round-the-world tour, a senior foreign policy adviser to President Boris Yeltsin described the NATO expansion plan as "totally aggressive toward Russia and exceptionally dangerous for the West itself." The Kremlin is demanding major changes in the plan, including a legally binding agreement between Russia and NATO and guarantees that Western military equipment will not be moved closer to Russia's borders.

U.S. officials said that Mrs. Albright attempted to allay Russian concerns by outlining a new Western proposal on conventional weapons limits in Europe that could lead to a significant reduction in American arms stocks on the Continent. The United States is also offering to formalize the practice of political and military consultations with Moscow by setting up a Russia-NATO council with its own permanent secretariat.

The Western proposals for a special relationship between Russia and NATO, as outlined by Mrs. Albright to Foreign Minister Yevgeni Primakov, still fall well short of Moscow's minimum demands. Nevertheless, the process of diplomatic haggling has now clearly gotten under way. It remains to be seen whether the two sides will succeed in closing the gap by next July, when NATO is due to announce a formal list of candidates for membership at a summit meeting in Madrid.

Mrs. Albright will see Mr. Yeltsin on Friday before wrapping up the European portion of her world tour and heading for Asia, where she has stops scheduled in Seoul, Tokyo and Beijing.

Thursday's blast from Mr. Yeltsin's deputy national security adviser, Boris Berezovsky, suggests that the Kremlin intends to continue to campaign vigorously against the Clinton administration's plan to form a military alliance with former Soviet bloc countries such as Poland, the Czech Republic and Hungary.

Writing for the Moscow newspaper Nezavisimaya Gazeta, Mr. Berezovsky said that the West was on the verge of making a hugely "mistaken" geopolitical choice for the second time in the 20th century. He compared the plan to expand NATO with what he depicted as the lack of Western support for Russian reforms during the years before the 1917 Bolshevik Revolution, when Russia made its first hesitant steps away from czarist autocracy.

NATO Offers Russia New Arms Cuts

By William Drozdiak
Washington Post Service

BRUSSELS — The United States and its NATO allies offered Thursday to make dramatic new cuts in their conventional weapons arsenals in Europe as a way to reassure Russia that they harbor no aggressive designs in expanding the Western military alliance to include former Communist states in the East.

Javier Solana Madariaga, the NATO secretary-general, described the latest Western arms control proposal as a key ingredient in the package of inducements the alliance is dangling before the Russian government in the hope that Moscow will drop its opposition to NATO's expansion plans.

"The Russians are the largest country in Europe, and they need to play a more constructive role," Mr. Solana said in an interview Thursday at NATO headquarters. "For the moment they prefer to remain isolated, but we want to bring them into the process of creating a European security model for the 21st century."

Mr. Solana said he would spell out the details of the conventional arms initiative and other features of a special security partnership when he receives Russia's foreign minister, Yevgeni Primakov, here Sunday for another round of talks on the enlargement controversy. The two men opened negotiations at a meeting last month near Moscow when they discussed the idea of a new charter that would outline a new era of harmonious relations between the North Atlantic Treaty Organization and Russia.

"We want to create a joint council, where NATO and Russia can work together on peacekeeping and other issues of mutual concern," Mr. Solana said. "The process is important because by consulting often you can build up trust and overcome a lot of your quarrels."

The latest Western arms control initiative was put forward at a Vienna security conference, where NATO countries are seeking to accommodate Russian demands for changes in the 1990 treaty on conventional forces in Europe. The treaty was originally conceived as a bloc-to-bloc agreement between NATO and the now-defunct Warsaw Pact.

NATO officials said all alliance members had now accepted Russia's argument that the earlier bloc arrangements are outmoded and should be replaced by reduced quotas on tanks, artillery, and aircraft deployed by individual countries. Under the NATO plan, the amount of American weaponry stockpiled in Europe could be slashed by 50 percent, the officials said.

■ Tank Cuts for Central Europe

Joseph Fitchett of the International Herald Tribune reported from Paris:

NATO favors drastic cuts in the number of tanks in Central Europe to reduce tension there and to show that an enlarged alliance will not pose a military threat to Russia, U.S. and French diplomats said Thursday.

The plan is basically a concept for reducing the risk of surprise attack, with the actual numbers of tanks and other offensive armaments to emerge from negotiations. But as a suggested order of magnitude, a French expert said, Poland would probably have to accept a ceiling of perhaps 700 heavy tanks — less than half its current strength.

The arms control plan will be submitted to a conference of 30 nations, including Russia, in Vienna on Friday, as Secretary of State Madeleine Albright continues expansion talks in Moscow with Russian leaders.

Of the 30 nations, seven would be subjected to especially stringent measures in what the treaty on conventional forces in Europe calls a "stability zone" in Central Europe. This zone would cover three nations that are candidates to join NATO — Poland, Hungary, and the Czech Republic — as well as Slovakia. Several areas directly to the east — western Ukraine, Belarus and Kaliningrad, a Russian enclave on the Baltic Sea, would also be included. None of these three is considered likely to become part of NATO's military structure.

In this zone, temporary surges in equipment will be authorized for manuevers or in emergencies, but the ceilings will be permanent. While small amounts of NATO weaponry will be allowed on allied countries' soil, the NATO draft bars the stationing of any Russian equipment above the ceilings in Kaliningrad, Belarus and western Ukraine.

Although it sounds one-sided, this arrangement reflects the fact that Russia has vast reserves east of the Urals that could be sent westward, whereas U.S. reinforcements are an ocean away.

Under the numerical ceilings, countries can modernize armaments covered by the treaty — tanks, armored personnel carriers, artillery and other equipment needed for a ground offensive.

But "thinning out the hardware in this old battleground means that there will be more warning time and therefore more reassurance for the next ring of countries, say Russia and Germany," a French military planner said.

The plan is a radical redesign of the 1990 treaty on conventional forces in Europe. Like that treaty, it does not cover troop numbers or warplanes.

A key change involves scrapping the concept of balancing forces between NATO and the Warsaw Pact by imposing deep cuts at the front line and then allowing higher numbers in rear areas.

In framing its proposal, NATO sought to reconcile two conflicting pressures — Russian objections to a NATO build-up to the east and the prospective new member states' right to have allied forces on their soil. As finally hammered out between the United States, France and Germany, NATO's concept calls for countries to have "national ceilings" on their own armaments and "territorial ceilings" that are slightly higher to allow for allied equipment.

For Kaliningrad, Belarus and western Ukraine, these two ceilings are identical, since no reinforcements are permitted in these areas. In exchange, NATO is ready to accept low ceilings on its own equipment in the stabilization zone, partly because Western planners no longer worry about a Russian ground offensive.

Farther away, ceilings will be high so that the big countries, including Russia, will have ample forces for missions outside Europe. This new approach, a U.S. ambassador in Europe said, "should give us the flexibility we need and give Moscow proof that we have no intention of using enlargement to pose a threat now with our conventional forces."

Outside the stability zone, there are so-called flank areas, including eastern Ukraine, where special provisions apply. For example, a treaty adjustment in May allowed more Russian firepower in areas near Chechnya and potential trouble spots on Russia's southern rim.

The NATO proposal was settled this week after member states discreetly pressed prospective new members for concessions.

Pawel Kopczynski/Reuters

A Polish soldier climbing to attack an "enemy" during a military exercise Thursday near Warsaw that was viewed by a U.S. congressional delegation.

BRIEFLY

Pretoria Bans Mines That Kill Humans

CAPE TOWN — South Africa on Thursday issued a blanket ban on the use and stockpiling of anti-personnel land mines, and announced it will destroy 160,000 of the lethal devices.

Defense Minister Joe Modise said the cabinet had decided Wednesday to ban the use, development, production and stockpiling of land mines specifically designed to kill and maim humans. *(AFP)*

Stricter Dress Code For Women in Iran

TEHRAN — Iran issued a new stricter Islamic dress code for women Thursday as part of its campaign to turn back Western influences.

The conservative newspaper Resalat published the guidelines laid out by the Martyr Ghodusi judicial center. Punishment for failing to follow Islamic law, as interpreted here, calls for prison terms of three months to one year, or fines and up to 74 lashes of the whip. *(AFP)*

U.S.-Bogota Pact On Drug Shipping

BOGOTA — Colombia signed an accord Thursday with Washington that allows U.S. Coast Guard officials to board Colombian ships suspected of drug smuggling. On Wednesday, Bogota toughened penalties for drug trafficking in an effort to stave off threatened U.S. economic sanctions. *(Reuters)*

FELON: *Ex-Con, Seeking a Pardon, Spoke Privately With Clinton*

Continued from Page 1

courtroom Wednesday. A judge is considering revoking Mr. Wynn's $100,000 bail while he awaits sentencing on a conviction for securities fraud. Mr. Wynn's recent arrests are for aggravated assault on a police officer, resisting arrest, aggravated assault with a motor vehicle, violation of a restraining order, terroristic threats and driving while intoxicated. All occurred between Aug. 31, 1996, and Feb. 10.

Mr. Wynn was convicted in 1995 of criminal securities fraud that benefited a member of the Bonanno organized crime family. He also served two years in prison after a 1989 guilty plea on theft and tax charges.

Mr. Wynn gained entree to major Democratic National Committee events through two friends: Mr. Mays, his attorney, who served as a Clinton appointee on the Arkansas Supreme Court in the early 1980s, and Richard Tienken, a New Jersey man who has ties to organized crime figures, according to court testimony.

Mr. Mays helped organize the March 9 fund-raiser at the Hillsborough, California, home of Victor MacFarlane, a real estate developer. A Democratic official said he saw Mr. Mays and Mr. Wynn have their picture taken with Mr. Clinton in the study, but did not see them speaking. An attorney who attended the fund-raiser said he saw Mr. Clinton, Mr. Mays and Mr. Wynn slip into a study for five to 10 minutes.

On April 29, 1996, Mr. Wynn and Mr. Mays were among about 50 people who attended a $25,000-a-person dinner with Mr. Clinton at the home of Marvin Rosen, the finance chairman for the Democratic committee, in Coral Gables, Florida, according to witnesses and records.

Two months after the dinner at Mr. Rosen's home, Mr. Wynn appeared in a federal courtroom in New Jersey seeking to have his 1995 securities fraud conviction overturned.

On Aug. 18, Mr. Wynn next attended Mr. Clinton's 50th birthday party celebration at Radio City Music Hall, according to two witnesses.

On Sept. 12, Mr. Wynn was one of about 250 people who attended a $12,500-a-person dinner for Mr. Clinton at the mansion owned by supermarket magnate Ron Burkle in Beverly Hills.

As questions about Democratic fund-raising practices began to be raised last fall, officials did a routine check and discovered reports of Mr. Tienken's alleged ties to the Luchese organized crime family.

FUNDS: *Democrat Is Accused of Trying to Mask Donor Identities*

Continued from Page 1

legation that Mr. Huang, whose fund-raising activities among Asian Americans are under investigation, tried to mask the source of campaign contributions to the Democratic National Committee and enlist the help of others in falsely reporting the origins of large donations.

A Justice Department task force is investigating Mr. Huang in connection with possible illegal campaign contributions from foreign sources, including foreign governments, eager to win influence with the Clinton administration.

Under federal election law, only U.S. citizens and legal permanent residents can donate money to political campaigns. The law also requires individuals to make political donations in their own names.

Mr. Huang raised $3.4 million in Asian and Asian-American contributions for the Democrats' 1996 campaign. Nearly half of that has since been returned because of questions about the source of funds. Among the major contributions returned were from: an Indonesian couple ($450,000) because they had not filed a U.S. income tax return; a Californian ($325,000) because the Democratic National Committee could not substantiate that he had the money, and a South Korean businessman ($250,000) because his American subsidiary had yet to earn any revenue in the United States.

Mr. Soberano is vice president for business development and community outreach at the Asian American Business Roundtable, a national organization of nearly 700 Asian-American-owned small businesses. Mr. Huang was deputy assistant commerce secretary from July 1994 until December 1995, when he joined the Democratic National Committee.

Mr. Soberano said he and Mr. Huang lunched at Washington's Mayflower hotel in late July or early August.

"He said, 'Can you help us out?' " Mr. Soberano said in an interview this week. Mr. Soberano said Mr. Huang wanted to give him $300,000 and have the Asian American Business Roundtable "write it back to the DNC through the membership."

"He said we could keep 15 percent for ourselves," Mr. Soberano added.

"I said, 'John, this conversation never took place,' " Mr. Soberano said.

Mr. Huang's attorney denied that the luncheon meeting at the Mayflower had taken place, saying that Mr. Huang was in California for most of July.

Zaire Talks Fail to Start; Blackout Set For News

Compiled by Our Staff From Dispatches

CAPE TOWN — Peace talks between the Zairian government and rebel forces failed to get under way here Thursday, but South African officials were holding "consultations" with parties to the conflict, a top official said.

Parks Mankahlana, spokesman to President Nelson Mandela, said in Johannesburg that South African officials were consulting "with various parties involved in the conflict, possibly in more than one place."

He denied press reports that Zairian rebels and official envoys had met behind closed doors in Cape Town with South Africa's deputy president, Thabo Mbeki.

"I'm not aware of any physical meeting going on between the Zairians in South Africa," Mr. Mankahlana said, refusing to comment on whether envoys from either side had arrived.

South Africa's foreign affairs department placed a news blackout on the talks, which Mr. Mandela had said would involve Laurent Kabila, who leads the rebel Alliance of Democratic Forces for the Liberation of the Congo (Zaire), and officials representing President Mobutu Sese Seko.

Diplomats had said talks were likely to begin here Thursday, even though Kinshasa government officials distanced themselves from the initiative launched by President Yoweri Museveni of Uganda.

In Kinshasa, Zaire's government said Thursday that it would launch fresh air strikes against enemy positions in the rebel-held east and advised civilians to leave the war zone.

A Defense Ministry statement said the army was determined to recapture all enemy-held territory. *(AFP, Reuters)*

■ Awaiting a Breakthrough

Lynne Duke of The Washington Post reported from Johannesburg:

If the Cape Town meeting does take place, it would mark the most significant breakthrough in efforts by foreign nations to resolve almost four months of war between Marshal Mobutu's army and a rebel force that controls a 1,500-kilometer swath along Zaire's eastern border.

Diplomats and international agencies have expressed fear that the escalating war in Zaire threatens to plunge the region into deeper turmoil.

On hand to assist Mr. Mandela's efforts are the U.S. assistant secretary of state for Africa, George Moose, and Susan Rice, the Clinton administration's senior National Security Council adviser for Africa, a U.S. official said. Mr. Moose and Ms. Rice traveled to Cape Town with Vice President Al Gore last weekend and have remained behind to help Mr. Mandela with the Zaire talks, the official said.

The ailing Marshal Mobutu, Zaire's ruler for 31 years, consistently has refused to negotiate with the rebels who have faced little army resistance while seizing territory along Zaire's borders with Tanzania, Burundi, Rwanda, Uganda and Sudan. In recent days, the rebels have said they were poised to move westward to Kisangani, a key city that is the government's easternmost military command base. On Monday, after receiving Mr. Mandela's invitation for talks, Marshal Mobutu's armed forces began bombing rebel-held areas. On Tuesday, Mobutu's government rejected a UN Security Council appeal for a truce.

Mr. Kabila, a longtime Mobutu foe, has urged negotiations for months.

His movement, he has frequently said, seeks the overthrow of Marshal Mobutu and the installation of an elected government.

BALKANS: *The 'European Losers' Club'*

Continued from Page 1

strations, they know they can achieve something with their own hands, whistles and feet."

But despite the achievements of street protests in Bulgaria, where the government fell Feb. 4, and Serbia, where it made major concessions to the opposition the same day, the region's traditions and history will make its renewal slow going, analysts say.

Most of Serbia, and all of Bulgaria and Albania, were under Turkish rule for centuries, isolating them from the rest of Europe and leaving a culturally mixed society where intolerance flourishes.

Economically, too, history has left its mark on the Balkans with a structure of centralized control that is rigid even by Eastern Europe's standards.

"The Balkans have different economic histories and traditions — including very strong involvement of the state in the economy even before the Communists came along — and in the Communist period this difference was preserved," said Roumen Avramov, an economic historian at the Center for Liberal Strategies in Sofia. "Until 1989, nobody here learned Western economics. This was a big difference compared with Poland and Hungary."

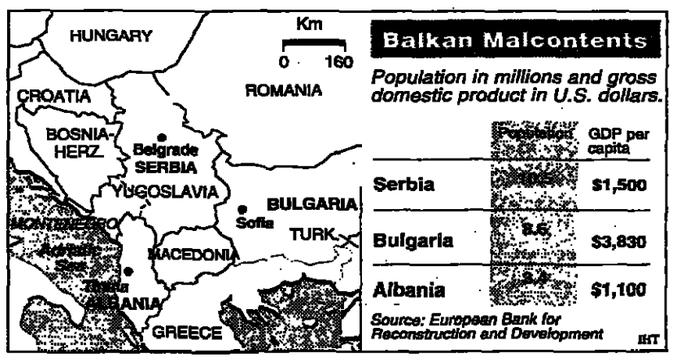
Indeed, throughout the Balkans there is enormous skepticism that a change in government would necessarily usher in a new era of tranquillity and wealth.

"Everybody here has been partly responsible," said Nikolai Kamov, a respected Bulgarian lawmaker who resigned this month from the governing Socialist Party. "We've all had our chance since 1990 — an unexpected chance — and we all proved we were unprepared for reforms."

Taken together, it makes for an explosive mix of social discontent.

The Serbian opposition, after nearly three months of daily marches, has forced the government of President Slobodan Milosevic to bow to its central demand: that its victories in Belgrade and 13 other cities in the November elections be recognized. But the experience of stolen elections, as well as mounting doubts that Mr. Milosevic will respect the constitution and leave office when his second term ends this fall, underscores the stagnation in Belgrade.

"Something natural in all other countries — that you can change political power by the vote — is still being fought here," said Novak Pribicevic, a retired ambassador.



"This has been about democracy and freedom," said Mr. Simic, the analyst in Belgrade. "In three months, though, there will be workers on the streets, too."

In Albania, the protests' mutation began last month in shock and anger at an economic cataclysm — the crash of huge pyramid schemes — that has robbed perhaps a third of the country's population of its life savings. But demonstrators quickly began venting their outrage at the government in broader terms, for retaining some of the more odious features of the country's Stalinist past.

By contrast, Bulgaria has racked up a solid record of democratic reform. It has held seven fair elections in seven years, changed governments more or less smoothly and opened the media to opposing views.

But the Socialist Party — former Communists — has held or controlled power for five of the last seven years and balked at even the most modest economic reforms. The resulting financial catastrophe finally infuriated a previously quiescent people, who took to the streets, protesting daily for a month to demand the government's resignation. On Feb. 4, the Socialists finally gave up power, yielding to a caretaker government until elections in April.

WTO: *U.S. to Invoke National Security*

Continued from Page 1

law does not bar foreign companies from trading with Cuba or investing there but merely provides sanctions against companies that use assets seized from U.S. citizens during the Cuban revolution, he added.

Washington also demonstrated its commitment to the trade organization by agreeing last week to a WTO deal to liberalize telecommunications services and by pushing for an agreement to eliminate tariffs on information technology products, this official said.

"We do not believe the panel is competent to rule on this issue because it involves essential foreign policy and national security concerns," the official said. "By bringing noncommercial matters into the WTO, the EU may well jeopardize what we and others have worked so hard to achieve."

U.S. officials also criticized Sir Leon for showing his negotiating hand in public. He said last week that Europe was demanding guarantees that Washington would indefinitely suspend a Helms-Burton provision allowing U.S. citizens to sue foreign companies for compensation over Cuban properties, and that it would not use a separate provision that could bar EU executives from entering the United States. Although Mr. Clinton indicated last month he would waive the lawsuit provision indefinitely, he does not have discretion to waive any visa restrictions, the U.S. official said.

German Daily Refers To Rifkind as a Jew

International Herald Tribune

FRANKFURT — The respected Frankfurter Allgemeine Zeitung called attention Thursday to the fact that the British foreign secretary, Malcolm Rifkind, is a Jew in its coverage of Mr. Rifkind's speech Wednesday in Bonn.

Mr. Rifkind expressed criticism in the speech of the plan for European monetary union. An account on Page 2 ended with this sentence: "As though he was not fully convinced by his own speech, the Jew Rifkind, ironically apologetic, concluded with the German phrase by Luther: 'Here I stand, I cannot do other.' "

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INTERNATIONAL

U.S. and Israel Skirt Extradition

By Serge Schmemann
New York Times Service

JERUSALEM — Israeli and American officials are quietly looking for ways to avoid extraditing to Israel a Palestinian Islamic leader, Mousa Mohammed Abu Marzook, who has been detained in a New York jail for more than 19 months, according to Israeli officials.

The officials gave no details, and neither American nor Israeli officials would publicly confirm that such an effort was under way.

Mr. Abu Marzook's lawyers said that while they had heard reports of such discussions between the two nations, they had not been contacted directly.

But Israeli officials, speaking on the condition of anonymity, said that "all sorts of options are being discussed" about sending Mr. Abu Marzook to a third country to avoid putting him on trial in Israel and risking a wave of retaliatory terror attacks.

Last week, the Israeli newspaper Yedioth Ahronoth reported that Jordan had been approached, but there were other reports that the Jordanians were reluctant to accept a prominent Islamic leader. Jordan has its own difficulties with a militant Islamic opposition, and would be wary of the problems Mr. Abu Marzook could create in its relations with Israel.

According to Israeli reports, the head of the international division of the Israeli State Attorney's Office, Irit Kahan, went to Washington last week to discuss the case with American officials. Mrs. Kahan reportedly briefed Benjamin Netanyahu when he subsequently went to Washington, raising speculation that the Israeli prime minister discussed the issue with President Bill Clinton. U.S. officials declined to comment.

Mr. Abu Marzook, who has been described as a senior political leader of Hamas, a militant Islamic movement whose military wing has taken responsibility for many of the terror attacks in Israel, was detained at Kennedy Airport in New York on July 2, 1995, and has been held in a federal jail in Manhattan ever since, pending the outcome of an Israeli extradition request.

Israel charged that Mr. Abu Marzook financed "terrorist activities against soldiers and civilians" and helped supervise the Hamas military wing. He claimed that his work for Hamas consisted only of raising money for social services, which, according to Israeli intelligence, account for 95 percent of the Islamic movement's work.

On Jan. 28, however, Mr. Abu Marzook's lawyers made the surprise announcement that he would no longer fight extradition.

But the Israeli government evidently concluded that putting Mr. Abu Marzook on trial in Israel would create a major risk of terror attacks. There was also some question about the strength of the legal case against him, which was based on statements made by a Palestinian who subsequently claimed he had been tortured by Israeli interrogators and was forced to sign a confession in Hebrew, which he could not understand.

Algerian Islamists Claim 180 Killed

Reuters

PARIS — The Islamic Salvation Army said Thursday that its guerrillas had killed more than 180 members of the security forces in recent clashes in 13 regions across Algeria.

It said that among the government forces killed were about 80 soldiers and paramilitaries who were shot in fighting in the western Saida region. It was not possible to verify the statement by the group, the armed wing of an outlawed political party, the Islamic Salvation Front.

American Fed Secrets to Israel

By Roberto Suro and Barton Gellman
Washington Post Service

WASHINGTON — A civilian engineer working at a U.S. Army command facility near Detroit has admitted divulging classified military information to Israeli officials over the last 10 years, and his home has been searched under a warrant that cited probable violation of espionage statutes, according to federal court papers.

The engineer, David Tenenbaum of Southfield, Michigan, has not been arrested or charged with any crime but is under investigation, FBI officials said. He told Pentagon investigators that he had "inadvertently" provided Israeli arms purchasing officials with secret data on the performance of the Patriot missile defense system, the Bradley fighting vehicle, new forms of ceramic armor and other weapons systems, according to an FBI affidavit filed to obtain a search warrant of Mr. Tenenbaum's home.

The admission was made during a security clearance interview last Thursday, and the search was conducted over the weekend.

Mr. Tenenbaum had contact with Israeli officials because his command was involved with the production of weapons sold to foreign governments.

The Israeli government denied any wrongdoing in dealings with him.

"There has been no improper contact between Tenenbaum and any official body or institution of the state of Israel," David Bar-Illan, chief spokesman for Prime Minister Benjamin Netanyahu, said late Wednesday in Jerusalem.

The Israeli Defense Ministry also issued a brief statement that said Israelis in the United States "are under the most explicit and categorical instructions to decline any and all offers of classified U.S. information, other than that which is transmitted to them in an orderly fashion" through "authorized official channels."

Israeli security officials said those instructions dated from the aftermath of the Jonathan Jay Pollard case. Mr. Pollard, a U.S. Navy analyst, was convicted in 1986 and sentenced to life in prison for spying for Israel.

Mr. Tenenbaum is a mechanical engineer at the headquarters of the U.S. Army Tank Automotive and Armaments Command.

INTERNATIONAL CLASSIFIED

Announcements

BAREME AS 24
AU 21 FEVRIER 1997
Prix Hors TVA en devise locale
(traduction disponible sur demande)
Remplace les barèmes antérieurs

FRANCE (zone C) en FFR - TVA 20,6%
GO: 3,84 FOD*: 2,28
SCS7: 5,47 SCSP: 5,28

UK en £/I - TVA 17,5% (taux 8%)
GO: 0,5363 FOD*: 0,3476

ALLEMAGNE (zone I) DMI - TVA 15%
ZONE I - G :
GO: 1,09
ZONE II - I :
GO: 1,06 SCSP: 1,42
ZONE III - F :
GO: 1,05 SCSP: 1,40
ZONE IV - F :
SCSP: 1,40
ZONE IV - G :
GO: 1,07 FOD: 0,61

BELGIQUE en FBI - TVA 21%
GO: 22,40 FOD: 10,98
SCS7: 33,39 SCSP: 31,49

HOLLANDE (zone2) NLG/I - TVA 17,5%
GO: 1,265

LUXEMBOURG en LUF/I - TVA 15%
GO: 20,00

ESPAGNE (zone A) en PTAS/I-TVA 16%-
GO: 83,97
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After Deng Xiaoping

Mere Mortals' Turn

A sense of historic passage marks the death of China's veteran leader Deng Xiaoping. At the end he was sick and in his nineties, an old man clinging to filaments of his former power. But he had lived a notable 20th century life, not merely coming out a survivor in China's political wars but taking a part in great struggles to modernize a vast land. Just how his life will be evaluated in China is uncertain: the political system he leaves behind does not encourage honest obituaries. Elsewhere, he will probably be regarded as a reformer of substantial achievement who, in departing from active political life some years ago, left much undone.

Mr. Deng was of the band of Communist revolutionaries in China who took power in 1949. He was fully invested in the campaigns and cruelties attendant to the imposition of single-party totalitarian rule on an often resisting populace. But at some point during Mao Zedong's murder of tens of millions of Chinese in his "Cultural Revolution" he developed different reform ideas. There followed his historic post-Mao effort to open up China economically, while maintaining the party's unchallenged political control. All this began a decade before the Berlin Wall came down.

That Mr. Deng's market reforms quickened the whole national economy and lifted 150 million or more people out of abject poverty is established. It is less clear that his reforms can satisfy the aroused expectations of the full Chinese population or that they can do so without prompting a measure of fragmentation and instability deeply threatening to the regime. And of course the question that fascinates the West, whether economic reform will lead on to political reform, is also unanswered. Mr. Deng encouraged participation in local governance and sought to regularize daily matters formerly reserved to party discretion. But anything smacking of political dissidence he crushed without reserve.

His death brings China to the end of what has been called "great leader" dominance. Hence, mere mortals rule and vie to rule. The man already formally holding the top party, state and armed forces slots is 70-year-old Jiang Jemin. Deng Xiaoping sought the stable Chinese-American relations essential to a focus on domestic growth. By the time of his death, that growth had put China into a situation of some tension with Washington. The meeting already scheduled between Mr. Jiang and Vice President Al Gore next month gives them an occasion to continue working on the problems.

—THE WASHINGTON POST.

Incomplete Reforms

Physical frailty had relegated Deng Xiaoping to a backstage role in recent years, but he remained a decisive factor in China's politics right up to his death at age 92. Although he retired from his last official post in 1989, none dared risk his displeasure or criticize any of his major decisions so long as he remained alive.

His longevity in power was a tribute to his political skills and the dynamism of his reforms. But his inability to transfer ultimate authority while alive, and the uneasy succession likely to follow his death, are telling reminders of how incomplete and therefore tenuous those reforms remain.

Power in China remains personal, and leadership requires a capacity to rally the disparate interests of Communist Party barons, army generals, economic technocrats and the general population. Mr. Deng, like Mao Zedong, did this through personal ties forged over decades of leadership dating back to the Long March in the 1930s. That revolutionary generation has now departed, and its successors will not be able to rule the same way.

Formal leadership now passes to a handful of temporarily united party functionaries under President Jiang Zemin. All agree on a general formula of "continued reform," but those plastic words are subject to radically different interpretations. While Mr. Deng gave primacy to accelerating economic development, Mr. Jiang seems more inclined to revitalize key tenets of socialist ideology and flex some of China's newfound military muscle.

Mr. Deng, whose career began in the 1920s, was not always a reformer. In the 1950s he helped lead the Anti-Rightist Campaign, an orgy of denunciation and punishment that ruined hundreds of thousands of lives. A decade later, during the Cultural Revolution, he was himself purged as a rightist. After a brief return to power, he was purged again in 1976 as "an unrepentant capitalist roader." Those experiences inoculated him against Maoist mass mobilizations, but did not teach him tolerance. His own legacy is stained by the relentless persecution of democracy campaigners like Wei Jingsheng, and most dramatically by his dispatch of tanks against peaceful protesters in Tiananmen Square. China's official verdict on that shattering and costly episode may be re-examined in the years to come.

But Deng Xiaoping is likely to be best remembered for his economic reforms. These transformed China from an impoverished country of giant agricultural communes, inefficient state industries and bureaucratic barriers to trade and investment into a global growth leader with rapidly rising living standards for many of its 1.2 billion people.

These reforms, however, are incomplete. Building up a market economy within a framework of central planning and alongside a still huge state sector has brought shortages of raw materials, systematic corruption and chronic inflation. Meanwhile, foreign investors have discovered that they cannot always count on Chinese law or contracts.

The late stages of Mr. Deng's rule brought policy inflexibility as major decisions about China's future direction were simply deferred. Now those issues must be faced, starting with the succession itself.

Other issues include what to do about unproductive state industries, widespread dislocations of agricultural labor, shrinking government revenues and the absence of an adequate safety net for the millions made insecure by rapid economic change. China's new leaders also must attend to a soured relationship with Washington, demilitarize relations with Taiwan and manage the absorption of Hong Kong.

The long era of rule by Communist China's founding generation has finally come to an end. The world will now learn whether the regime it left behind is capable of leading China to a stable, prosperous and peaceful future.

—THE NEW YORK TIMES.

Two Good Ideas Imperiled by Mediocre Politics

By Flora Lewis

PARIS—The big debates in what has come to be called the Euro-Atlantic community have taken a sour and dangerous turn. They are on the eastward expansion of NATO and establishment of a single European currency, to be followed in stages by the eastward expansion of European Union.

The objective is to promote security and economic growth in Europe. Political leaders have already made the crucial policy decisions and behave as if it were only a matter now of negotiating the details. But they are losing their constituents in their failure to realize that they can't achieve such deep, long-lasting changes without generating broad public support.

There is still a misguided attempt to urge a trade-off between "Euro-" and "Atlantic," suggesting that since security risks are not immediate and the Easterners want so badly to join the Western club, let them into the economic union first and deal with NATO later. This won't and cannot work, because the nature of the new obligations involved are so different.

The economic transformations required are so big, and inevitably painful, that they can be approached only gradually, with plenty of adjustment time, while an enlargement of NATO is straightforward politics. The direction and the sequence are set.

But all the public is hearing is a clutch of assorted complaints that these are bad ideas, that their countries are being herded into committing irreparable mistakes, that they are losing control of their destiny. The politicians aren't doing their basic job, which is to explain and convince electorates that the changes are not only necessary but will be beneficial once they are digested. They have made their decisions on the basis of long-term analysis.

With the exception of Britain, which has abdicated its natural influence by choosing to stay on the sidelines, the leaders are driven by what they consider such obvious requirements ahead for their countries that they don't stop to spell them out. The result is a peculiar, and rare, situation where the leaders are so farsighted that they risk stumbling and falling on the obstacles that preoccupy their voters.

Victor Halberstadt, a Dutch economist fully committed to the idea of European union, thinks the reason is that the political decisions were drafted by technocrats who made mistakes that it would be too embarrassing to admit and try to correct now. He points out that there are only 400 working days before the 1999 target date for the euro, not long enough to rewrite the provisions for a common economic and monetary policy that could be reasonably implemented.

In a dream scenario, the American financier George Soros imagines that the sense of impending crisis suddenly stimulates a real debate on the need for a political Europe, provoking a great Congress that would issue a Declaration of Interdependence and proceed to write a democratic constitution for European Union. He knows it isn't likely, but he has a real foreboding that otherwise the fight over the euro will destroy the whole concept of unity, and the Euro-Atlantic community in its wake.

Intolerable unemployment figures, sluggish growth and the apparently absolute dedication to fighting inflation and debt above all other economic goals are making fears of pursuing the technocrats' prescriptions overwhelming. And about all the leaders offer in defense of their position is that it will "protect us from dollar hegemony" (Jacques Chirac) and reduce transaction costs in exchanging currencies.

The positive advantages are seldom mentioned: the real benefits of a huge domestic market, escape from the damage of exchange rate competition and uncertainty, encouragement of investment, improved ability to compete on the world market from a large, solid base. The results would affect daily life, whether people travel across a border or not.

But they have not been told in any concrete way. What they hear are the voices of doom and disaster if their national governments give up what the leaders know to be effectively shrunken national powers and which people can see are not working well in any case but are afraid to renounce.

The problem is essentially one of democracy, of giving people the sense that they are making a choice on the basis of sound information. Mr. Soros is right about that. But it won't happen in a dream. Without a much bigger effort of the political leaders to lay out what they are doing, and why, and where it is to lead, their followers will not trust and accept their decisions.

These are really epochal changes in the way people have been accustomed to live and the way nations get on with each other. Interdependence is unavoidable, but it cannot be imposed by fiat on democratic countries without provoking pernicious reactions.

So there is a risk of destructive backlash. It would not be the first time in history that shortsighted, narrow ambitions destroyed good ideas, but it is terrible to contemplate its happening again after having come so far.

© Flora Lewis.

A Great Reformer Who Brought China Into the Modern Age

By Michel Oksenberg

STANFORD, California — Deng Xiaoping relished portraying himself to foreigners as a *tu baozi* — a country bumpkin. In the dozen or so meetings I had with him from 1977 to 1989, he never failed to mention it. He came from Sichuan Province, an overwhelmingly rural society closer at his birth to the Iron Age than to the modern era.

When he became China's paramount leader, he clung to this rural Chinese identity. He always wore his Sun Yat-sen tunic, even when his contemporaries began wearing a Western coat and tie. He was never afraid to keep his country ways. He often spit with great effect. Once, to underscore a derisive point about Soviet expansionism, he punctuated his remarks right into a spitoon.

Because of his reverence for tradition, he won the loyalty of the many nativists in the Communist Party. But while he had one foot firmly planted in the Chinese past, he was also responsible for China's leap into the modern age.

Mr. Deng knew that he had to improve the lives of his people, and he succeeded in large part. In his era, real incomes more than doubled.

He also recognized early on that China must become part of the world and the world must become part of China. I was at the meeting in Beijing in July 1978 when he proposed to send Chinese students to the United States. This proposal took our delegation so much by surprise that we had to hold a caucus. Did he really say that?

We thought that such an exchange could not possibly happen until relations were normalized, and decided to ask for a clarification. Indeed, we had heard right. Chinese students arrived in the United States by early 1979.

Mr. Deng acted with similar swiftness to normalize relations. In 1978 he stated that it took one second to sign a peace and friendship agreement with Japan, so it would take two seconds to normalize relations with America. Negotiations to do just that had been occurring periodically for the previous six months. But he stepped in, and in one meeting with Leonard Woodcock, the American ambassador, they made the deal.

Few leaders' global vision matched Mr. Deng's. In our meetings with him during the Carter administration, he was always ready to discuss world affairs. He immediately understood the implications of the Soviet invasion of Afghanistan. He understood that the fall of the shah of Iran had profound implications for the entire Mideast.

He was a Chinese leader in the tradition of Zhou Enlai and was an excellent partner in strategic dialogue with a succession of American statesmen — Henry Kissinger, Zbigniew Brzezinski and Brent Scowcroft.

He had no illusions about the world or China. He and his generation repelled the Japanese invasion, unified their country after a century of civil war and strife, and restored China's place in the world.

Unfortunately, the use of force was central to his achievements. He could be a witty interlocutor, but the sardonic laugh and biting scorn he used to dismiss his perceived enemies revealed a darker side. He led the 1957 suppression of intellectuals, enthusiastically supported Mao Zedong's disastrous Great Leap Forward, and cracked down on the protesters of 1989.

But Deng Xiaoping was an extraordinary transitional figure and will be remembered as a great reformer. His unmistakable goal was to achieve wealth and power for China.

The writer, a member of the National Security Council during the Carter administration, is a senior fellow of the Institute for International Studies at Stanford. He contributed this comment to the International Herald Tribune.

A Discredited Regime Inherits the Setting for Bitter Turmoil

By Liu Binyan

PRINCETON, New Jersey — The People's Liberation Army has been preoccupied recently with expanding its moneymaking activities, and has turned into a kind of bloated economic monstrosity. It deals arms internationally, smuggles, runs hotels and dance halls and pursues a wide range of other economic activities both legal and illegal.

The PLA has always been its own nation within a nation, enjoying all kinds of special privileges and exemptions from the laws that govern others. But the army's mercenary activities have corroded and undermined it terribly.

Is civil war possible in post-Deng China? Nationwide war seems out of the question, but local conflicts over economic interests among groups within the army, or between the army and the People's Armed Police, are likely to increase. The tens of millions of unemployed peasants who wander around China are a natural source of inexpensive manpower for the mercenary forces of vested interests.

During the past two years an irregular armed force of peasants and retired military men, falsely claiming to be part of the PLA, has arisen in the impoverished province of Shanxi. The group set up its own munitions factories and network of representatives in neighboring provinces. The development is significant because it suggests a reappearance of traditional warlordism in embryonic form. A second level of armed force, feeding off the regular army for guns, ammunition and other supplies, is here again.

But the first turmoil we should expect in post-Deng China will not be political or military but social.

At present the most difficult problem facing the regime is inflation, which is caused primarily by the deficits of state-owned enterprises. Simply to close those enterprises would generate millions of unemployed.

The fear of another Tiananmen-type movement, this one composed of workers, has for several years now prevented the regime from taking such a drastic step. In 1994, merely a few bankruptcies and instances of inability to issue wages were already enough to stimulate a spate of worker protests.

On the other hand, to maintain the status quo, with its built-in inflation, can only continue to incite unrest among peasants and low-income urbanites. Looming inflation and unemployment have already brought many parts of China to the verge of instability.

The state continues to subsidize the cities at the expense of a colonized countryside, forcing peasants to sell their grain at one-third below market prices. During the past 10 years there have been violent protests in the countryside, and recently they have been increasing.

Peasant villages have risen to plunder property and goods; bands have robbed and vandalized military and civilian facilities, including overhead power lines and aerial, underground and oceanic telegraph wires. They have attacked urban targets and every kind of transportation route — railroads, highways, inland rivers and coastal shipping lanes.

The scale and momentum of these events are reminiscent of the unrest that underlay the Communist-led peasant war that drove the Chinese Nationalists into exile in 1949. In the post-Deng period we can expect more such outbreaks of peasant revenge against the regime and the cities.

Beginning with the repression at Tiananmen in 1989, Deng Xiaoping pursued a policy toward the Chinese people of combining the carrots of economic incentive and modest individual freedom with the sticks of bloody repression and high political pressure. The policy has had considerable success in demoralizing and demobilizing the people politically. But their cynicism and feelings of powerlessness will now fade as China's general stability unravels.

Every contestant in the post-Deng succession struggle will be eager to play the card of reversing the verdict on the 1989 Tiananmen movement. But when this reversal comes it will release in the former protesters a festering resentment against the Communist regime that has been bottled up for six years but is still several times stronger than the resentment that fueled the original movement.

New hope will catch fire. The passion of throwing oneself into a struggle to change loathsome conditions will cause the Chinese people, who are now so atomized, to coalesce as they did in many cities in 1989. They will be surprised, as they were that year, to discover how much they agree with one another.

Nowhere in the world, obviously, is there a ready-made model that China can use. It seems inevitable that the Chinese people still have a difficult road to travel, a road that will demand some heavy tolls on them and consume at least 20 more years of their time.

The writer, a Chinese journalist in exile, contributed this comment to the Los Angeles Times Syndicate.

Other Comment

A Legacy of Oppression

[Wednesday] saw the passing of one of the Long Marchers, that group of revolutionaries which enabled China to "stand up" after its humiliation at the hands of the West and Japan. Their legacy is a country respected for its size and determination but reviled for oppression, from the colonization of Tibet to attempts to limit the birthrate, from the labor camps to the show trials of dissidents. Deng Xiaoping will go down in history as a great man, but we hope never to see his like again.

— The Daily Telegraph (London).

China's future is shadowed by chaos because the phantom stability that Deng Xiaoping created through oppression, repression and massacre cannot hold. The apparent stability in Beijing, Shanghai and other large cities has been purchased through what might be called political deficit spending that bankrupts the future legitimacy of the central authorities. Someday the bills will come due.

Some people believe that if China continues along the path of economic transformation, a stable and democratic society will emerge after a certain threshold. The unpleasant facts are the opposite: Despite a continually rising GNP, China is closer to chaos today than it was five years ago.

— Fang Lizhi, writing for New Perspectives Quarterly (Los Angeles).

Although we can doubt the effectiveness of containment, which would restore a climate of Cold War, we must hope for a minimum of clear-sightedness in the West. "Constructive engagement" with Beijing cannot mean giving up defense of certain principles, starting with concern for civil liberties.

— Le Monde (Paris).

Only the Truth, Awful as It Is

By William Raspberry

WASHINGTON — The image from a recent newscast sticks in my mind. Desmond Tutu, resplendent in the red vestments of his recent office of Anglican archbishop, is leaning forward, his head on the conference table of the Truth and Reconciliation Commission, which he chairs. He is sobbing audibly over some particularly awful atrocity disclosed by an officer of the old apartheid government.

This gentle man, who thought he knew the worst of what his erstwhile oppressors did, is temporarily overcome at the enormity of the newest disclosure, and he weeps.

Then he rights himself and, as the camera rolls, resumes his extraordinary work.

It is extraordinary. The very idea of granting amnesty to agents of what was the world's most universally hated regime, requiring only that they tell the truth about their role in the atrocities, is extraordinary. And only extraordinary human beings, like Archbishop Tutu and the truly astounding President Nelson Mandela, could have any hope of carrying it out in a way that produces a decent amount of both truth and reconciliation.

I am an unabashed Mandelaphile. Few human beings now living could have undertaken so bold a plan for bringing closure to years of virulent, bloody racism and moving forward to build a democracy.

What keeps the Tutu image in my mind, though, is that it reminds me that this is no simple forgive-and-forget soap opera, no weak-sister irresolution masquerading as Christianity. The commission is hearing awful stuff: government-sanctioned slaughter of African National Congress activists carried out in a way to make it look like black-on-black killing; arming of Mangosuthu Buthelezi's thugs to do battle against the ascendant ANC; open-pit burning of a murder victim while his killers feast on beef barbecue; murder of Steve Biko, the Black Consciousness philosopher whose disdain of apartheid's power made him its enemy.

The Biko affair shows how enormously difficult is the work that the Truth and Reconciliation Commission is attempting. Few doubted that Mr. Biko, who died in police detention in 1977, was killed by his captors. But there was still some thought that the death was less than fully deliberate, that perhaps they hit him harder than they intended, or broke his skull when they knocked him down stairs.

But now four apartheid-era cops who were there have confessed their role in Mr. Biko's death and in at least nine other political murders — stabbings, burnings and mutilations carried out in behalf of the white regime.

Mr. Biko's wife says she will oppose the killers' application for amnesty. I am not prepared to say she is wrong. Surely from her point of view confession without pupishment — without even requiring an assertion of remorse — is no justice.

But what would be? What would be justice for the survivors of thousands of black South Africans who were killed or savaged by the regime during the period the commission is investigating? A South African version of the Nazi hunters who, half a century after the Holocaust, are still seeking to bring soldiers and officials of Hitler's government to justice? After a while, it all seems to be pointless.

But is the amnesty that the Mandela government is offering so easily achieved as to be equally pointless?

I don't think so, and for two reasons. The first is that without some such arrangement, most of the murderers would never have been known for sure. The offer to come forward to own up to their official bestiality in exchange for a possible amnesty will at least solve hundreds of unsolved murders. That must be worth something.

Mr. Mandela, in signing the bill creating the commission, offered the more salient rationale: "We can now deal with our past, establish the truth which has so long been denied us, and lay the basis for genuine reconciliation. Only the truth can put the past to rest." It is, to repeat, an extraordinary gesture. And, it needs to be said, one that may not work. But surely nothing else will.

The Washington Post.

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Internet address: http://www.iht.com E-Mail: iht@iht.com

Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. (65) 472-7768. Fax: (65) 274-2334. Mng. Dir. Asia: Rolf D. Kranepuhl, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1188. Fax: 852-2922-1190. Gen. Mgr. Germany: T. Schlüter, Friedrichstr. 15, 60323 Frankfurt/M. Tel. +49 69/971250-0. Fax: +49 69/971250-20. Pres. U.S.: Michael Connor, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785. U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802. Fax: (171) 240-2254. S.A.S. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337.
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IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: German Position

BERLIN — The *Norddeutsche Allgemeine Zeitung* this evening [Feb. 20] contains the following: "The German Government is prepared to enter into negotiations with the Powers regarding the future organization of Crete on two conditions. First, annexation by Greece must be put out of consideration, because it would afford no guarantee for a settled state of things in the island, while creating a dangerous precedent for other Balkan States. Secondly, before negotiations are entered into a stop must be put to the action of Greece, which is contrary to international law, and the continuance of which would constitute a growing danger of war."

1922: Society Fiancée

CHICAGO — Mr. Harold F. McCormick today [Feb. 20] announced the engagement of his daughter, Miss Mathilde McCormick, to Max Oser, the proprietor of a riding academy at Zurich. The wedding will take place in Chicago, probably in the McCormicks' Lake Shore Drive mansion. No date was mentioned. Friends of Mr. McCormick say that the announcement means that the consent of Mr. John D. Rockefeller, the girl's grandfather, was gained.

1947: Leaving India

LONDON — Prime Minister Clement Attlee announced to the House of Commons today [Feb. 20] that Britain will withdraw from India "by a date not later than June 1948," no matter what the internal political situation of the country. He also announced that the present Viceroy, Field Marshal Viscount Wavell, will be replaced next month by Rear Admiral Viscount Mountbatten, war-time Supreme Allied Commander in Southeast Asia.

OPINION/LETTERS

Counsel Without a Crime: Good Riddance to Starr

By Richard Cohen

WASHINGTON — To understand the problem of Kenneth Starr, the Whitewater independent counsel, imagine him as the fictional Inspector Poirot. He'd assemble the likes of Jim McDougal, Susan McDougal, Bill Clinton, Hillary Clinton and much of the White House staff in a large room adorned with several potted palms, and dramatically announce that all the suspects were present. Only the crime is missing.

Where, Monsieur, is the body?

So far, none has been found. On the contrary, Whitewater remains a chaotic confection of real estate deals, bank loans and — in the case of both McDougals — just plain bizarre behavior. Maybe something criminal has been done by the Clintons, but if so it now seems Ken Starr has not found it. He has announced he will quit as independent counsel in August and take a post at Pepperdine University in California.

Good riddance, say I. This announcement is just the latest indication that Ken Starr is not the man for the job, assuming, of course, that there is a job to be done. On that score, incidentally, Mr. Starr himself is mum. His leaving should not be interpreted one way or the other, he insists.

This is preposterous. Two of the people in Mr. Starr's chamber are the president of the United States and the first lady. The independent counsel cannot coyly announce that, come August, he's going to be doing something else and leave the nation — not to mention the first family — wondering if some pretty serious indictments are around the corner. Mr. Starr is wrong when he says nothing should be read into his statement. How about arrogance, Mr. Starr? Surely, you'll grant your behavior warrants that judgment.

Last September, when President Clinton told a television interviewer that he thought Mr. Starr was carrying on a political vendetta, I took the president to task. Where was the proof? There is still none.

Nevertheless, Mr. Starr has conducted himself in his office in a manner that — however ethically punctilious — is just downright weird. Among other things, he has continued to donate money to Republican political candidates. The law says he's entitled. Still, it looks bad.

Similarly, the law permits Mr. Starr to continue his legal practice. But one of his clients is the tobacco industry, which, as we all know, is no particular friend of the president's.

Slate, the on-line magazine, has been conducting a debate between Michael Turpen, a lawyer and former Oklahoma attorney general, and Theodore Olson, an assistant attorney general in the Reagan administration and a friend of Mr. Starr's. The subject? Mr. Starr's conduct as independent counsel.

It's hard to say who's gotten the better of this dialogue, but certainly Mr. Turpen has put his finger on matters that have bothered me. They include Mr. Starr's insistence on making speeches. He has appeared before the Detroit Economic Club, the Oklahoma Bar Association and Pat Robertson's Regent University. In Oklahoma, Mr. Starr talked a bit about his investigation.

This selectivity is maddening. Here is a man — a public servant, mind you — who takes another job and yet will not say what that means to the president of the United States. On the other hand, he will speak to a bar group here or a college there.

Much about Whitewater remains troubling, not the least of it being the friendship and business partnership between the Clintons and the McDougals. Here we are some 20 years later, and the Clintons are in the White House and both McDougals appear headed to the Big House. Many questions remain unanswered: Where were those Rose Law Firm billing records? Why did Hillary Clinton deny knowing about a real estate deal that, logically, should have been familiar to her?

Now, Ken Starr adds to the murkiness of Whitewater. If he is leaving because his family has had it with his travels, then he ought to say so. If he is leaving because he doesn't have a case, then he ought to say that. Whatever his reason, he cannot coyly insist that he owes the American people — not to mention the Clintons — no explanation. He's free to go, of course, but it would be nice if he said why.

The Washington Post.

You Can Bet Air Travel Will Only Get Worse

By Daniel S. Greenberg

WASHINGTON — The indignities and inconveniences that are built into air travel are now being joined by a high-tech menace that makes a chatterbox seatmate seem relatively appealing.

Airlines are installing in-flight gambling games, viewed on back-of-the seat screens, with credit cards electronically recording winnings and losses.

MEANWHILE

By the end of the year, according to Aviation Week magazine, Swissair will have 15 planes equipped with a system that offers video slots, keno and a Swiss game called Risiko, plus 10 movies. Singapore Airlines will offer blackjack, keno and poker. Alitalia and Qantas are upgrading their in-flight entertainment to include gambling, and BE Aerospace reports that it has installed the systems on more than 20,000 seats.

Airborne gambling, by U.S. and foreign airlines, is forbidden by federal law in U.S. airspace, and thus the prohibition poses no direct competitive disadvantage to domestic American carriers. But, on the basis of reports that foreign lines will reap nearly $500 million per year from gamblers aloft, the pressures for lifting the ban on American flights are inevitably mounting. Interest has perked up in Congress, and the Department of Transportation is studying the matter.

The outcome must be an emphatic no, unless U.S. government policy is malignly committed to further deterioration in the handling and management of the traveling public.

With the exception of the exorbitantly overpriced seats in the first-class and business sections, seating on today's aircraft has been compressed to the extreme contortional limits of the human body. The food appears to be sanitary and of some nutritional value. But, unless desperate, few would seek these meals.

At one time it seemed that the discomforts and annoyances of air travel had bottomed out. But then the cellular telephone came aboard, turning all within a radius of five rows into captive auditors of what are usually strikingly inane conversations.

And into this melange of unpleasantness, the airlines want to introduce gambling, an enterprise not notable for inducing emotional calm in its participants.

With their customary expressions of solicitude for the well-being of their victims, the gambling promoters say that losses are capped at $350 per flight while winnings can rise as high as $3,500. Upward creep in these amounts is, of course, to be expected after gambling becomes a familiar adjunct of air travel. But even at the stated figures, the introduction of the gambling ambiance into the confines of cattle-car aviation is awful to envisage.

Gamblers tend to gasp, moan and gesticulate, according to how their luck is running. The slots do not inspire a stoical demeanor. Moreover, even without gambling, violent and bizarre behavior by airline passengers seems to be on the rise. On several occasions recently, aircraft have made unscheduled stops to expel passengers who have attacked members of the cabin staff or committed some other nasty offense.

In-flight movies and television generally have a calming effect on passengers. Gambling, however, feeds on hopes and anxieties. And when losses are hard to bear, the emotional impact can lead to depression or a range of unpleasant behaviors all the way to serious violence. Blowing the family's wad en route to vacation can be an upsetting event — and difficult to deal with in a crowded airplane.

No solace should be drawn from the apparent lack of horror stories from the foreign airlines that have already adopted gambling. Conceivably there are none, though airlines understandably opt for silence about anything that might scare off customers.

The real issue is the rising discomfort of air travel. It won't be made any better by an agitated seatmate screeching for a winning combo.

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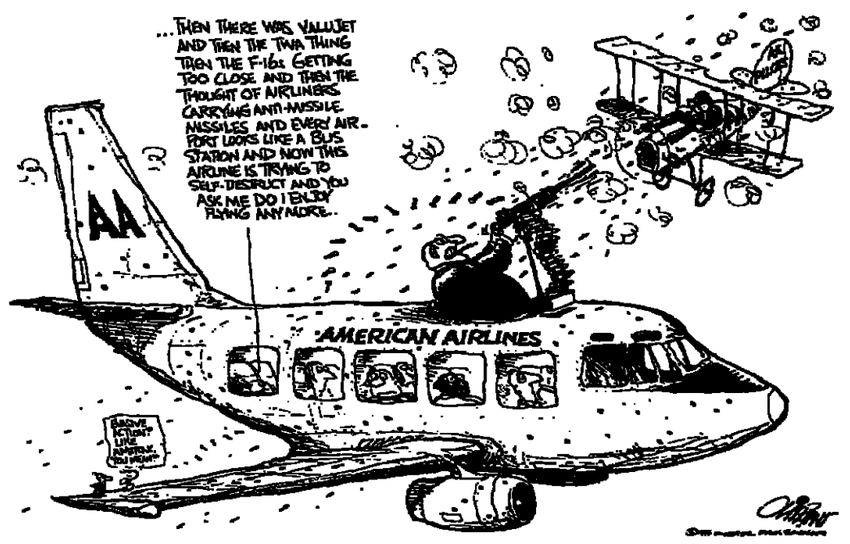


LETTERS TO THE EDITOR

America and the WTO

I thoroughly agree with your appeal for calm *("Don't Risk the WTO," Editorial, Feb. 18)* in the trans-Atlantic dispute over U.S. extraterritorial laws. This is indeed the tone that the European Commission adopted with Secretary of State Madeleine Albright in Brussels on Tuesday.

However, the purpose of the World Trade Organization is not only to "prevent countries from adopting protectionist or discriminatory trade practices for commercial advantage." The WTO also aims to guarantee access to other countries for products and services through legally binding trade agreements, and under predictable market conditions. The European Union's case against the United States on the Helms-Burton legislation is taken under this heading, since the law denies us the access that the United States (and/or Cuba) have guaranteed under such agreements.

The European Union is every bit as determined as America to coax Cuba into the democratic community of nations, and I believe we can and must work together toward that goal. Our fear is that if nobody challenges one country's self-proclaimed right to block trade between two others on unjustified grounds, extraterritorial laws could proliferate and America, Europe and the WTO would be the worse off.

It is also not acceptable to argue that this is too sensitive a case for the WTO to consider, and that bringing it to the WTO risks losing support for the organization in the United States. The WTO has already shown itself well able to handle difficult disputes, and we only undermine it if we cast doubts about its capacity to handle this one. The United States has in fact been the biggest single user of the WTO dispute settlement system up to now. But America cannot expect to win every case. Its strong interest in the maintenance of the system should be constantly and publicly stressed. That would be much more constructive than to anticipate in advance negative public reactions if the United States loses its case.

LEON BRITTAN.
Brussels.

The writer is vice president of the European Commission and the chief European trade negotiator.

Trouble in a Bottle

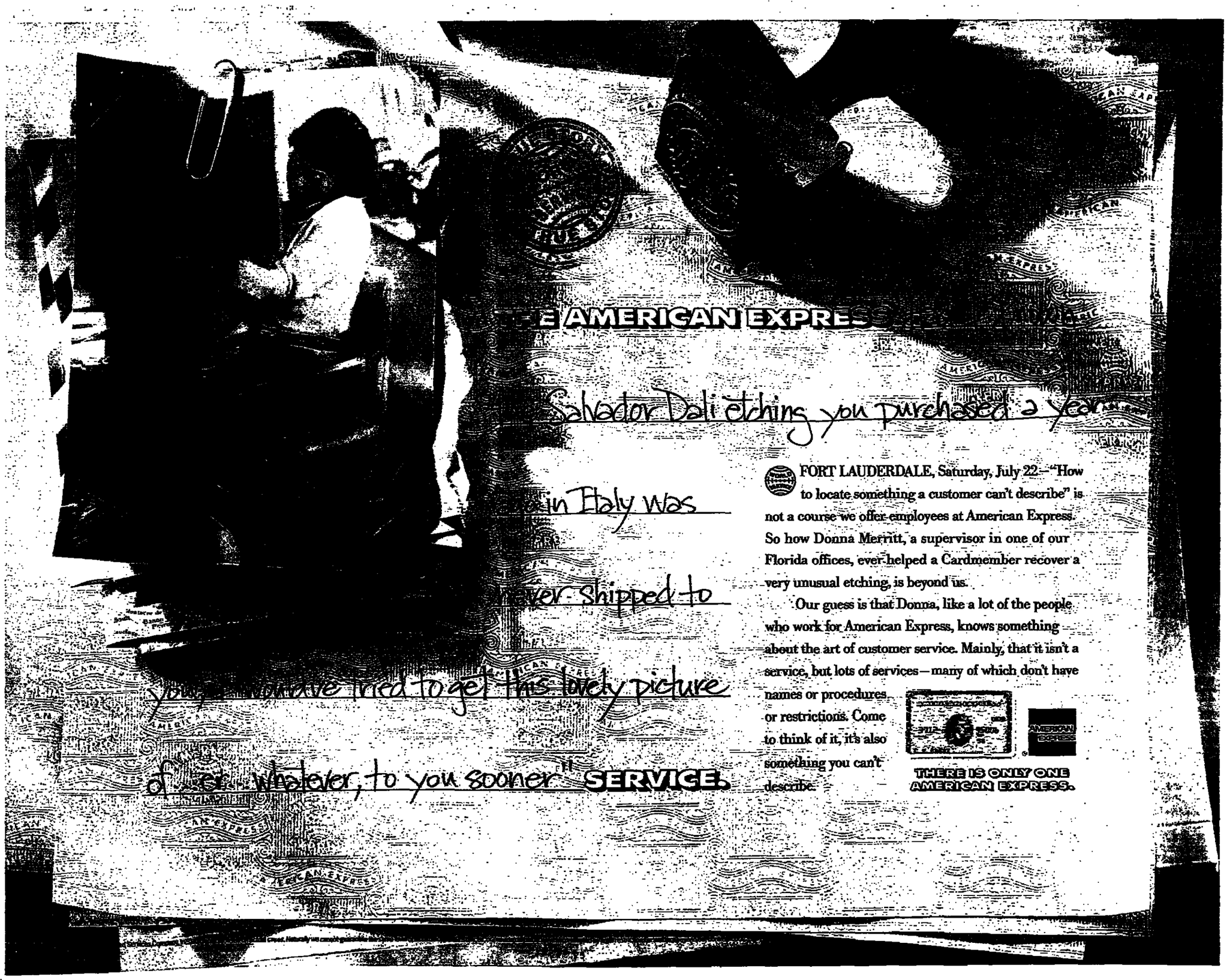
Regarding "Sad Message in a Bottle: Drug Testing at Home" (Meanwhile, Feb. 11) by Ellen Goodman:

It seems to me that parents who force their kids to submit to urinanalysis have more problems than drugs in store for them.

Parents who show such disrespect for their children are likely to wind up breeding contempt for themselves. That contempt, in turn, may lead to the very thing the parents are testing for: drug use by their children. Yes, urinanalysis could be a gateway to drugs!

Why not just try to communicate with children instead?

GLENN LINGLE.
Santa Monica, California.



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Leisure

TOMORROW: MONEY PAGE 10

Nagasaki, Where Beauty and Tragedy Live Side by Side

Chu Fujiwara/Photo Shuttle-Japan for The New York Times

Clockwise from above: Inside the Atomic Bomb Museum; in Glover Garden, the oldest Western-style building in Japan; near the port, a statue of Japanese who studied abroad, and the fountain in Peace Park.

By Nicholas D. Kristof
New York Times Service

NAGASAKI, Japan — There may be prettier cities in Japan than Nagasaki, but there is none where beauty and tragedy are so intertwined, where a walk through the streets makes one alternately smile at the colorful carp in the canals and gasp at a plaque recording the city's wrenching past, where the hot springs in the surrounding hills — the delight of countless tourists — are also filled with memories of torture and death.

Largely obliterated by the atomic bombing of Aug. 9, 1945, three days after the destruction of Hiroshima, Nagasaki has been rebuilt on the rubble and ashes of the old city. Set against a hillside overlooking a great natural harbor, Nagasaki is now a sprawling city of 440,000 on the southern island of Kyushu. Temples and mansions set among gardens on the hill preside over the bustle of office buildings and noodle shops on the winding streets below. Most of Nagasaki's historical sites and monuments are within walking distance of the center of the city, while a couple of miles away on the other side of town is a cluster of sights related to the bombing, including the new Nagasaki Atomic Bomb Museum, which gives powerful testimony to one of the pivotal events of the 20th century.

Religious History

So Nagasaki is Asia's answer to Dresden, a city of light whose name is also almost synonymous with pain. Like Dresden, Nagasaki is thought of today mostly in connection with its wartime destruction, but Nagasaki resonated with tragedy even before 11:02 A.M. on Aug. 9, 1945, when an atomic bomb exploded over the northern part of the city, missing its military target by a few miles and vaporizing a slum containing the largest Christian community in Japan.

As the most cosmopolitan city in Japan from the 16th through the 19th centuries, Nagasaki was a center for Christian missionaries — and, accordingly, the center of religious persecution. This month marks the 400th anniversary of the first group of executions, when 26 Christians were crucified on a hill in Nagasaki. The city is marking the anniversary with special Catholic Masses and with a new Japanese-language opera, based on the story of the executions, to have its premiere in November.

During my latest visit, in October, I couldn't help contemplating those crucifixions as I visited the museums and memorials that recall Nagasaki's proud and tragic past.

I began near Dejima, an artificial island built in 1634 to house European traders in the city. Because of landfills, Dejima is no longer an island, and it is hard to tell where it starts and ends, but there are still some signs of its past. Reproductions show what Dejima looked like in the old days: an island protruding into the great harbor that for centuries was the center for Japanese trade. These days the port is a minor one, but it is still filled with ships and gives Nagasaki a focal point — as well as great views, since the city rises steeply into the hills from the bay. Sometimes called the "San Francisco of Japan" because of its hills, Nagasaki has the same salty charm as Hong Kong and the same historic links with Western traders.

Portuguese traders arrived in Nagasaki in 1571, and the authorities built Dejima to isolate them from Japanese society. The 130-acre (52-hectare) island was big enough to accommodate the Portuguese with their homes and warehouses and fields where their oxen and sheep could graze. After 1639, when the shogun ordered the Portuguese to leave Japan, Dutch traders were allowed to stay, but on condition that they move to Dejima. For more than two centuries after that, Japan tried to seal itself off from the outside world. Nagasaki was the only exception, and a tiny one: A few Chinese were allowed in a settlement in one part of the city, and a few Dutch were allowed to carry on their trade from Dejima.

The main Dejima Museum is closed indefinitely for renovation, but a nearby museum in Jurokuban Mansion, built in 1860 to house American consular staff, contains a museum with artifacts from the Dutch and Portuguese who lived on Dejima. The museum has no English labels on its exhibits, but it is chock-ablock with old European telescopes, clocks, guns and other antiques.

ONE of the main imports arranged by the Europeans was Christianity, and it is said that Hideyoshi, the great unifier and ruler of Japan, toyed with the idea of converting until he realized that he would be allowed only one wife. But the shoguns grew alarmed at how rapidly missionaries had converted some 300,000 Japanese, particularly around Nagasaki, and in 1597 the government crucified six European missionaries and 20 of their Japanese followers.

The government introduced all kinds of campaigns to stamp out Christianity, and it is said that Okunchi, an annual Shinto festival in Nagasaki, was founded for that purpose. Okunchi, which takes place every year from Oct. 7 to 9, is one of the most famous festivals in Japan, with its 200-year-old floats and its dragon dances supplied by the Chinese. One of the aims, however, was to search for those who did not attend and therefore might be secret Christians.

An exhibit with floats from Okunchi and videos of past festivals is the centerpiece of the Nagasaki Museum of Traditional Performing Arts, one of many buildings in Glover Garden, a settlement containing the homes of the European traders who returned to Nagasaki after American gunboats opened up Japan in 1853. The centerpiece of this large outdoor complex is the home of Thomas Glover, a British merchant who came to Japan in 1859 at the age of 21, married a geisha and conspired with local lords to overthrow the shogun.

Strolling in the Gardens The home, built in 1863, is large and pleasant but it would be unremarkable if it were not the oldest Western-style building in Japan. It is fun, though, to meander through the gardens and other Western homes, which are redolent of history. In Glover Garden these Western traders played on Japan's first tennis court, laid down Japan's first paved road and planned production of the beer now known as Kirin. Glover himself founded the Kirin brewing company, whose name apparently came from a couple of statues depicting him as a mustachioed kirin, a mythical Asian animal.

Chinese traders also left a mark on Nagasaki, apparent in the temples scattered on the hillside above Dejima. The oldest temple is Kofuku, built in 1620, which presides sternly over the city below. Its peaked roofs and scattered halls surround a series of pleasant lawns and gardens, while forests begin just behind the temple. Most of Nagasaki is full of tourists, mostly Japanese schoolchildren, but Kofuku Temple was deserted when I wandered through its gardens and the cemetery behind it.

A more modern Chinese icon in Nagasaki is the Confucius Shrine, built at the end of the last century, but because there are few Chinese living in Nagasaki now, it has none of the authentic flavor of a Chinese temple, and the only people lighting incense and praying are giggly Japanese schoolgirls hoping to get into a good university. I am also suspicious of the temple's efficacy, for when I paid 100 yen (less than a dollar) for my fortune, the machine spat out a red slip of paper that advised me: "You will enjoy easy childbirth and bear a son." Not likely.

But the most haunting part of any visit to Nagasaki, particularly for an American, is the other end of town. As it happened, the atomic bomb was dropped on those who had already suffered the most, for the Urakami neighborhood that was hit worst was a slum inhabited by Christians and by social outcasts known as *burakumin*, often described as the "untouchables" of Japan.

About 75,000 people died in the blast, and several memorials record the bomb's power. A pillar marks the epicenter of the explosion, and remains of the Urakami church are scattered around it on the ground, especially sculptures of saints, looking reproachfully at us. The area is now a pair of parks, bordered by a canal, and the peacefulness and prettiness are in a strange way disturbing.

The Nagasaki Atomic Bomb Museum opened nearby last year. The exhibits are stark: a dimly lighted room with twisted debris and wrenching large-screen videos taken at the time of charred corpses and whitened skulls. Extensive displays show what Nagasaki looked like before the bombing and explain how the bomb worked, as well as offering hideous photos of victims and pictures of human shadows on rock and wood — the only thing remaining when those near the epicenter were vaporized.

THE problem with the museum is that it has almost no context: The atomic bombing is presented like a typhoon that suddenly swept in from the ocean for no reason. The subtext is not anti-American; it is anti-historical. There is in one tiny nook a time line that mentions in a cursory way Japan's wartime activities. But this provoked a furor in Japan because of its reference to the Nanjing massacre, the incident in which the Japanese killed tens of thousands of Chinese civilians in 1937. Some Japanese deny that the massacre took place, and the photo that had illustrated it has been replaced by a blurred and rather meaningless picture of a crowd.

To leave Nagasaki on a more hopeful note, it is worth visiting the nearby home of Dr. Takeshi Nagai, a doctor and theologian who was a bit like a Japanese version of Dr. Albert Schweitzer. Nagai's wife was killed in the blast, and he lived with his two small children in a tiny hut, where he wrote powerful books exploring the meaning of what had happened. The most famous of these, "The Bells of Nagasaki," was once widely available in English but is now hard to find.

Nagai died in 1951, at the age of 43, and a little museum in his honor stands by the wooden shack where he lived and worked, a reminder that Nagasaki witnessed some of the best of humanity as well as some of the worst.

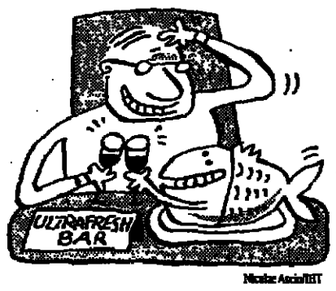
DINING

Vietnamese Food for Wine Lovers

By Patricia Wells
International Herald Tribune

PARIS — Walk through the simple red doorway of Tan Dinh and you enter a cozy, welcoming world where strangers are greeted as friends and faithful clients as part of the family. This most Parisian of Vietnamese restaurants serves as a club where everyone becomes an instant member.

The real family is named Vifian, with father Robert and sons Robert and Freddy holding court, tending the stove, embellishing the wine cellar to enhance their customer's enjoyment as well as their own. It is not too much to say that this bistro-like restaurant is unique in the world, with a compact list of South Vietnamese specialties and a voluminous selection of wines from the around the globe. For those uninitiated in the ways of the Vifians, it may seem sacrilegious to pair a rare Pomerol with deep-fried spring rolls, or a pricey Cote Rotie with pasta and spicy shrimp. But trust me. Trust Robert and Robert and Freddy to steer you to wine heaven.

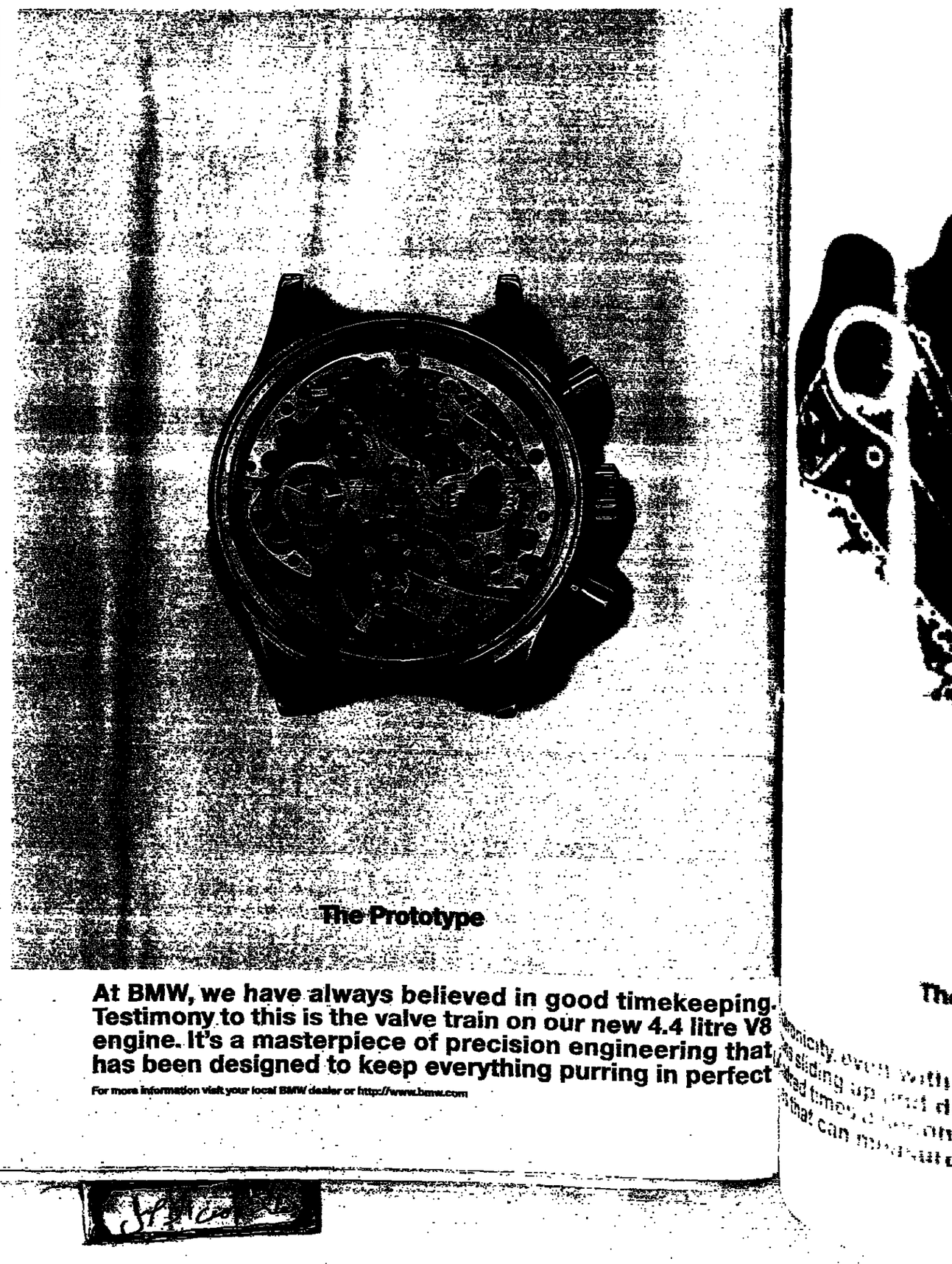


Nicolas Ascoli/IHT

Like many wonderful things in the world, the food at the 29-year-old red, white and black Tan Dinh is deceptively simple. Son Robert may work his way through a recipe with a dozen different versions of the original, using native cooks — from his mother to aunts to total strangers — as resources. And so his much-studied spring rolls come off fresh and refreshing, studded with herbs and chicken and right for pairing with his 1990 Domaine de Chastelet, a stunning and rare Bordeaux rosé made in a Burgundian style. Or sample, with his brochettes of veal (delicately perfumed with cardamom), a peppy 1993 Savigny-les-Beaune "Les Serpentiers."

Whether his light and easily digestible fare is steamed, sautéed, gently tinged with star anise, ginger or garlic, it is a cuisine that's studied and then reinvented and refined for today's palates and, most importantly, designed to go with wines. Instead of ravioli filled with beef, the family from Saigon fills them with smoked goose, the better to pair with a fulfilling white Graves. The ultrafresh whole *bar* (sea bass) is sprinkled with a symphony of Asian spices, and boned Bresse chicken is wok-fried with a light, crunchy mix of red onions, broccoli, zucchini, all gently spiced with a touch of star anise.

Tan Dinh, 60 rue de Verneuil, Paris 7; tel: 01.45.44.04.84. Closed Sunday and August. No credit cards. A la carte, 245 to 385 francs, including service but not wine.



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LEISURE

French Roots: An African American's Historic Tour of Paris

By Gary Lee
Washington Post Service

WASHINGTON — I began my latest trip to Paris with a lick and ended it with a kick.

The lick signaled my approval of the special — barbecued ribs and black-eyed peas — at Haynes, the Pigalle soul food restaurant where a generation of poets from Harlem and jazzmen from New Orleans have met to celebrate Thanksgiving dinner.

The kick was a salute of another kind, delivered outside the Bobino, the Montparnasse music hall where Josephine Baker retired her banana skirt and bade the world a triumphant farewell.

In between came a stroll down the lane of James Baldwin's memories, from the Left Bank hostel where he first arrived from New York with $40 to the noisy cafés where he scribbled his way to literary fame.

This was a sojourn to the Paris of African Americans. Ever since the early 1920s, when Baker sallied before Parisians wearing nothing but a few white feathers, blacks from the States have occupied a coveted place on Paris's cultural stage. It was in the French capital that the author of "Native Son," Richard Wright, escaping the racism of 1940s America, found public acceptance and social stature. And when the soprano saxophonist Sidney Bechet tired of U.S. jazz clubs, he settled here and forged a major role for jazz in the city's vibrant music scene.

SENTIMENTAL JOURNEY

Curious about what had become of that chapter of history, I made a journey across the Atlantic to find out. One part of the trip was a tribute to expatriate nostalgia. I used it to revisit the defunct club where Bechet brought Parisians to tears with his rendition of "Song of Songs," the café where Baldwin and Wright had the quarrel that ended their friendship and the hotel where Langston Hughes lived among African students.

I also discovered a Paris sparkling with a fresh infusion of black culture. Here were the influences of every new trend from back home, from gangsta rap to the dance called the fade. And there was a new generation of African American writers and musicians taking its place on the city's arts scene.

My sojourn was, in a sense, a return to long-lost stomping grounds. An African American, and a Paris apartment owner since the early 1980s, I have kept one foot in France for almost all my adult life.

My introduction to black Paris came from someone no more black than Dwight Eisenhower. Francis was a French art historian and a student of every culture from the 18th-century Italians to 1960s Californians. But he embraced none more passionately than negritude, that mix of African, Afro-American and Caribbean cultures that has flowered in Paris since the 1950s.

I WAS living in central Europe at the time, but Francis kept me in touch with black life in Paris. He knew how to snag tickets to sold-out jazz concerts, kept a schedule in his head of upcoming readings by visiting black scholars and poets, and once tracked down where Diana Ross was staying during a Paris appearance.

The historical bond between African Americans and Parisians, I learned over time, is best illustrated by personal relationships. There was Bud Powell's close link to Francis Paudras, an unusually emotional bond between tenor saxophonist and jazz fan immortalized in the 1986 feature film "Round Midnight." And then there was the remarkable case of Baker. Relatively unknown when she arrived in Paris, she was received with a warm and personal embrace by the whole French nation as entertainer extraordinaire and later as *grande dame*, even as Time magazine dismissed her as a "slightly buck-toothed young Negro woman."

The Washington Post

The painter Lois Mailou Jones.

Sometimes the tales of affection between French and American blacks seem apocryphal. In the recent book "Paris Noir: African Americans in the City of Light," an in-depth look at American blacks in the French capital, the author Tyler Stovall tells a post-World War I story of a group of Frenchmen beating a young man to a pulp just for being American. When the light-skinned American convinced the attackers that he was black, according to Stovall, they immediately stopped fighting and apologized.

Many African Americans receive a level of appreciation here they lack at home. "Black women can come to Paris and feel instantly relieved of all of the burdens that come with their stature in the States," said Patricia Laplante-Collins, a native of Atlanta who now lives in Paris. "Here they can be romanced in the way that they deserve."

A RICH ARTS SCENE The aura and architecture of the French capital have moved artists from every corner to great accomplishments, and African Americans are no exception. Few writers have captured the colorful scenes of the Left Bank's back alleys and cafés or the markets of Les Halles quite like Baldwin's portrayals in "Giovanni's Room." Few painters have reproduced the courtyards of St. Michel and Montparnasse with the sense of perspective and the light displayed in the works of Lois Mailou Jones. Few sculptors have managed to grasp the scope of the city and mold it into the brilliant kind of brass works made by Harold Cousins.

It is a late November evening at Le Duc des Lombards, but the saxophonist Noah Howard is blowing his horn with enough fire to take me back to sometime in summer and somewhere south of Miami. Closing my eyes, I float on the warm notes to a warm lagoon somewhere in the Caribbean. The drums come on slowly, bringing a welcome ripple to the water. The bass follows quickly behind, rounding out my late-night swim with a sonorous rhythm.

There are enough jazz clubs like this in Paris to constitute a scene. New Morning, in the shadows of the Gare du Nord, has featured every great from McCoy Tyner to Betty Carter. In bustling St. Michel, Le Petit Journal specializes in New Orleans-style music by French and Italian bands. In fashionable St. Germain, there is Latitudes, where brothers and sisters from back home heat up a jam most every night.

Many of the regular musicians on this circuit are expatriate African Americans. Howard is a saxophonist who moved here from New Orleans in the 1960s when rock seemed to be drowning out the U.S. interest in jazz. Hal Singer, a saxophonist transplanted from Oklahoma, regularly pops up on stage at a number of clubs. The vocalist Dee Dee Bridgewater, from Flint, Michigan, uses her deep, made-for-jazz voice and foxy presence to continue the performing tradition forged by Josephine Baker.

This is the house that Sidney Bechet built. The New Orleans saxophonist originally came to Paris in the 1920s but was forced out of town after a gun brawl. He returned in the 1950s and eventually attracted such a following that, when a ticket seller announced that a concert was sold out, the crowd picked up his kiosk and marched it away in protest.

THE 1990s have brought variations to the traditional Paris jazz scene. Up in funky Montmartre, a younger generation is grooving alternately to acid jazz and funk, or to poetry welded out of a curious mix of French and black rap. This is the stuff of the artist formerly known as Prince.

The social schedule in black Paris fills up quickly. The resident black American population, estimated at about 1,000, has carved out its own place on that scene. Some events sponsored by the community are for causes, including fundraisers for black politicians, lectures and political rallies. Other gatherings are for fellowship.

Much of the communing and networking takes places in cafés and restaurants. Like Chester Himes, Wright and others before them, today's expatriates have staked out their favorite watering holes and use them as places to meet old and new friends.

The Beat poet Ted Joans, a veteran of the expatriate scene, holds forth every afternoon at the Café le Rouquet. And on Sundays, blacks from as far off as Dallas and Los Angeles meet at Chesterfield Café, a restaurant off the Champs Elysees, for an afternoon of gospel and omelets.

From Beach to Rain Forest, the Tides and Trails of Costa Rica

By Warren Hoge
New York Times Service

TAMARINDO, Costa Rica — Faced with the multitudinous life choices that confront a child growing up in New York City, my son on turning 13 settled on his. He wanted to be a surfer. The challenge was how to accommodate this obsession of my son's along with my hope of devoting the family summer vacation to rain-forest exploration. We found a harmonious solution on the Pacific coast of Costa Rica.

The country has some of the largest untouched primary forests in the world and a government and population with a commitment to protecting them unequaled in Latin America. Costa Rica also figures in globe-trotting films modeled after "The Endless Summer" as one of the far-flung places on the planet where surf pilgrims go in pursuit of the perfect wave.

We decided on two spots, one at the tip of the remote Osa Peninsula in the south and the other on the busier coast of Guanacaste Province in the north.

Fought over in the 19th century by Nicaragua and Costa Rica, Guanacaste has been a conflicted part of the country in recent times. It served as a staging area for the Sandinista rebels in the 1970s, and in the 1980s it became the site of secret airstrips and supply centers for the contras who sought to oust the victorious Sandinistas from Managua.

Osa, on the other hand, had always been cut off from the world and even from the rest of Costa Rica. A dirt road linking the peninsula to the mainland was completed only in 1986.

If you need writing paper in Tamarindo, all you'll find is a notepad of sheets made from banana-leaf fibers. The shampoo on sale is biodegradable and carries a label, itself made of recycled paper, that assures that no animals were mistreated in the manufacture of the contents. The shorefront Hotel Las Tortugas was built with no ocean views to the south because light can distract giant leatherback turtles that use the beach there to lay their eggs.

The same hotel is headquarters to surfers who consider the beach there, Playa Grande, the finest venue in the area. At Playa Grande, my son, Nick, and his schoolmate Wyndham saw what they had been missing on Long Island. Long waves began on one side of the widely curved beach and peeled across the horizon, curling cleanly and showing nothing but a shimmering smooth surface to the morning sun until disappearing into frenzies of foam on the other side.

The boys were intimidated by the wave heights at first, but enchantment and exhilaration overcame their initial fear, and they soon were riding across the glassy wave faces.

We adults found the surf to be challenging but manageable. And there was the keen pleasure of looking back and seeing only mangrove forests, palms and banyans bursting explosively from their midst, and distant gray-green mountains with clouds lounging in the valleys.

ABUNDANCE OF LIFE Every time we wandered off into those forests, we got a lesson in the abundance of life that inhabits tropical shorelines. The microscopic organisms that the ocean washes over its reefs, rock and beaches feed a voluminous array of tiny creatures that in concert with plants support a vast community of crabs, snails, shrimps, iguanas, squirrels, egrets, herons and other creatures.

We were particularly intrigued by hermit crabs and the delicate orange-legged, purple-shelled crabs that make the land itself seem animate as they skitter by the thousands into their forest burrows at the approach of an intruder. Each April, these crabs make spectacular migrations to the sea to breed, with each female releasing tens of thousands of eggs, which become larvae drifting in the waves until six weeks later, when they all march inland and begin the cycle again.

At week's end we drove back to San Jose, gave up our vehicle and caught our flight to Puerto Jimenez, the only town on the Osa Peninsula. Waiting for us by the gravel airstrip was Jonathan Seidman, a 27-year-old forestry and conservation graduate of Kent State University who has worked there as guide for five years.

He drove us into town, a laid-back frontier outpost with a soccer field, a boat dock and the only block of paved road on the entire peninsula. We bought flashlights and simple knee-high rubber boots for the rain-forest treks, then drove out along the coast of the Golfo Dulce and up muddy roads to our lodge, Bosque del Cabo.

The only contact with the outside world is by radio phone, and there is electricity only in the kitchen. Night falls early in Costa Rica in the summer, usually about 6 P.M., and from that hour on, Bosque lives by candlelight.

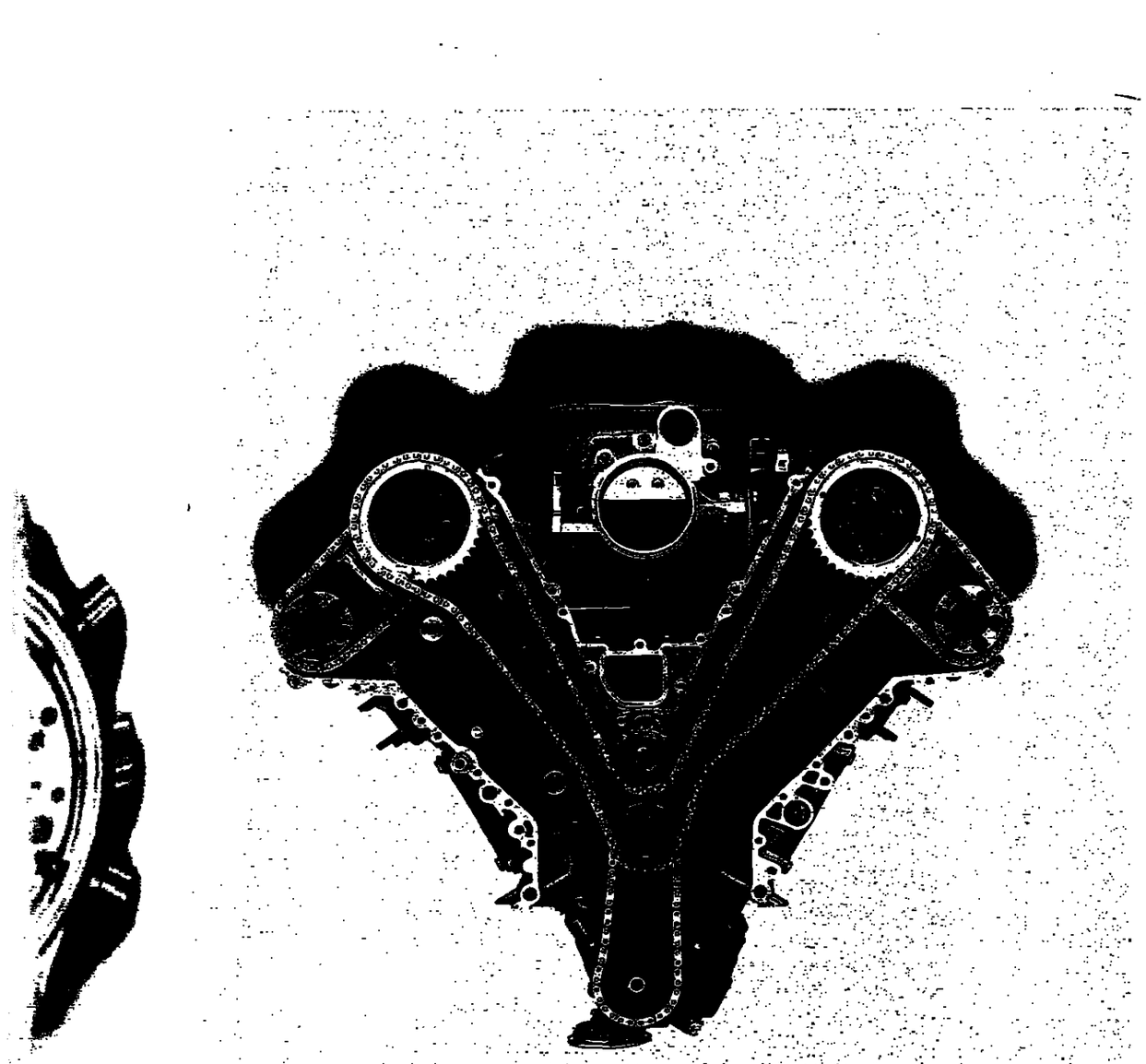
WITHIN minutes of leaving Bosque our first afternoon, Jon announced that we were in primary forest, undeveloped, undisturbed, its reproductive cycles intact and humming. We found ourselves at the base of immense trees, some rising 180 feet above the forest floor, closing out all but about 10 percent of the light shining down on the canopy. The sight induced a feeling of wonder and reverence. The great cathedral-like space captured the forest's mists and held them in the shards of sunlight, like fine particles of dust that hang suspended in the streaks of light shining through stained-glass windows in great naves.

The profound silence was a quietness that throbbed with activity as Jon pointed out all the life going on around us — hummingbirds pollinating the voluptuous orange and red heliconia plants, cowtrees (so called because when cut with a knife they secrete a digestive latex), larvae of frogs and tadpoles in tightly joined leaf bases where water had collected, earnest parades of leaf-cutting ants carrying their immense burdens from trees to anthills, golden silk orb-weavers spinning perfectly symmetrical lace patterns, mimosa leaves that fold in on themselves protectively on being touched, woodpeckers tapping in pursuit of termites.

DURING our treks, giant frigate birds with their wingspans of more than six feet wheeled into view overhead. Lovely little immaculate antbirds called out to one another in sweet bell tones, laughing falcons guffawed and, in the forest counterpart to hoisting the cocktail flag, parrots, the most social of birds, gathered in flocks at day's end and raised a happy ruckus.

There are four kinds of monkeys in this part of the rain forest — squirrel, spider, white-faced capuchin and howler — and we saw them all. The howlers put up a sonorous groan, using their formidable sound equipment and then amplifying it with a bellows-like movement of their jowls. The spiders chatter excitedly and perform spectacular acrobatics in the trees.

We swam in waterfalls and splashed in pools in reef formations on the beach that emerge as the tide ebbs, producing a whirlpool-bath effect. We walked on beaches where the only signs of human life were our own footprints, and we hiked the forest paths in the midst of thunderstorms and marveled at how little rain fell on us.



The Finished Article

synchronicity, even with each of the eight pistons sliding up and down at more than a hundred times a second under explosive forces that can measure up to 5.7 tonnes.

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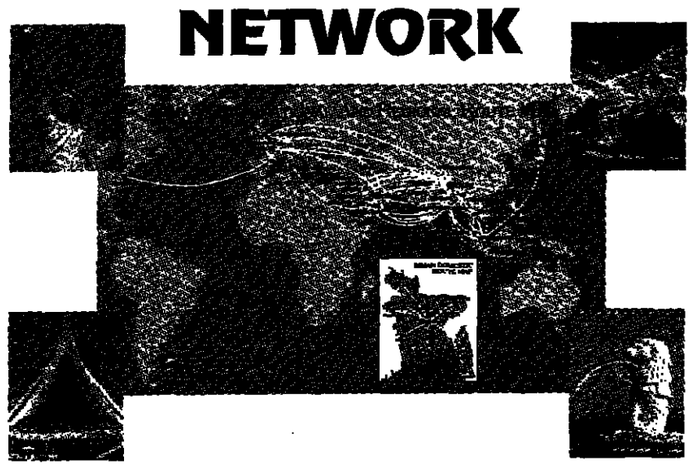

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MOVIE GUIDE

Castle Rock Entertainment

Clint Eastwood (a thief), Laura Linney (his daughter), Gene Hackman (president) in "Absolute Power."

ABSOLUTE POWER

Directed by Clint Eastwood. U.S.

"Absolute Power" is a hoot, a riot, a kick in the funny pants. Unfortunately, these are not qualities you seek in a Washington conspiracy thriller. After an intriguing beginning, Clint Eastwood's latest movie — which he co-produced, directed and stars in — devolves into such utter ludicrousness, the best response (other than avoiding the thing in the first place) is to laugh. In the film, which William Goldman adapted from the David Baldacci bestseller, Luther Whitney (Eastwood) is a master thief with a checkered past. We meet him as he prepares for his last job, a painstakingly orchestrated burglary in the mansion of Walter Sullivan (E.G. Marshall). But Whitney is totally unprepared for what transpires. After filling his bag with jewelry from Sullivan's secret vault, he hears voices. Retreating into the vault and closing the entrance, he realizes that the room looks into the master bedroom through a two-way mirror. Whitney is forced to witness a secret liaison between Sullivan's inebriated wife (Melora Hardin) and an equally soused gentleman — played by an actor who's very familiar to us. It's not long before we learn the significance of this character's identity. The seduction turns ugly. The man gets too rough. There's a struggle. When she grabs a letter opener to stab him, gunshots ring out. The woman is dead. Whitney watches with mute horror as two men, accompanied by a stern woman, emerge to mop up the evidence. When they leave, Whitney picks up something they forgot — the bloodied letter opener! — and makes off. But the killers catch him making an escape. Whitney reaches his parked van in time, but the pursuers note down his license plate. When he's chased by Secret Service agents, Whitney realizes he's dabbling with higher powers. He also learns that Sullivan is a chum of the president (Gene Hackman). Now in danger, he keeps clear of homicide inspector Seth Frank (Ed Harris playing Ed Harris), who's convinced that Whitney witnessed the killing. That's about as clear as I can make it without giving the game away. But boy do things get dumb, especially when "Absolute Power" reveals its boneheaded punch line.

(Desson Howe, WP)

TESIS

Directed by Alejandro Amenabar. Spain.

A spine-chilling thriller is what the 23-year-old director Alejandro Amenabar submits for his first movie. He also wrote the script and the score. His main goal seemed to be making this film so tense that viewers would be too frightened to leave their seats. Angela (Ana Torrent) is preparing her thesis at the University of Madrid, exploring violence in movies and television. At school, she stumbles upon a secret copy of a "snuff movie," a ghastly genre that contains footage of real-life torture and murder. The director wisely keeps most of the violence off screen. Instead, we sense it through the horrified looks on the faces of Angela and her friends and foes. She soon realizes that she is in danger of becoming the next victim. While she's trying to survive, the director throws in timely humor and some sharp criticism of violence, using an urbane professor to tell film class students. "The important thing is to give the public what they want to see." Yet while acknowledging that he'd like to work with some other topic, Amenabar himself seems to be seduced by the commercial appeal of blood and gore. There are a few flaws, but it is a very promising debut.

(Al Goodman, IHT)

FOCUS

Directed by Satoshi Isaka. Japan.

A young nerd gets off on ham radio — listening to the neighbors, the fire department, the cops. An equally obsessed TV news director bullies him into a program. Midway they pick up a *yakuza* telephone conversation about a gun transfer and themselves get the gun. From then on it is one logical accident after another as power takes over — the power of a TV camera, a wiretap, a gun. Isaka in this brilliant first film shows the whole thing through the lens of the TV camera, complete with the glitches, the retakes, the asides that were meant to be cut, and the blinking and ominous "Battery Low" signal. The reality of what is happening twice removed — once through a purported TV program, again through the movie we are seeing — is both endistanced and intensified. The result is one of the most unsettling and accomplished films of the year.

(Donald Richie, IHT)

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ARTS GUIDE

BELGIUM

BRUSSELS

Palais des Beaux-Arts, tel: (2) 507-84-66, closed Mondays. To May 25: "L'Art de Collectionner: Les Musees Neerlandais et l'Art du 20e Siecle." Focusing on the different art movements in the Netherlands, the exhibition features Mondrian, Kees van Dongen, Charley Toorop and Jan Dibbets, shown in parallel with their foreign contemporaries, including Malevitch, Picasso, Braque and Leger, Dubuffet, Yves Klein, Fontana and David Smith.

BRITAIN

BATH

The Royal Photographic Society tel: (225) 46-28-41, open daily. To March 31: "Bruce Gilden: Haiti." Gilden's photographic study of the Haitians started in 1984 under the Duvalier regime. Gilden was struck by the Haitians' propensity to oscillate between extremes of passion and apathy; resilience and desperation. His photographs capture, in a surreal way, the duality of a country rife with centuries of despotism and unrest, and powerless to unite against tyranny.

LONDON

Barbican Art Gallery, tel: (171) 638-8891, open daily. To May 26: "Lucie Rie and Hans Coper: Potters in Parallel." The show examines the parallel careers of the two contemporary artists, displaying more than 350 pieces, such as ceramic buttons, jewelry and tableware characterized by their simple lines and monochrome schemes. Also, "Modern Art in Britain 1910-1914." More than 150 works by Cezanne, Gauguin, van Gogh, Matisse and Picasso, and by the British artists they inspired, Vanessa Bell, David Bomberg, Roger Fry, Duncan Grant and Augustus John reveal the range of modern art introduced to Britain during this period.

National Portrait Gallery, tel: (171) 306-0055, open daily. To June 8: "Auguste Sander: 'In Photography There Are No Unexplained Shadows.'" Selection of about 200 photographs by the German artist (1876-1964). Sander studied the contemporary German society, from the farmers, moving through industry, the professions, intellectuals and aristocrats, and finishing with the outcasts of society, the sick and the dying.

Royal Opera at Covent Garden, tel: (171) 304-4000. "Die Meistersinger von Numberg." Directed by Graham Vick, conducted by Bernard Haitink, with John Tomlinson, Thomas Allen and Nancy Gustafson. March 15, 18, 21 and 24.

Tate Gallery, tel: (171) 887-8000, open daily. To May 4: "Lovis Corinth." Retrospective of the expressionist artist (1858-1925), including more than 90 oil paintings and 70 watercolors, drawings and prints. Influenced by Velazquez, Rubens and Rembrandt, Corinth applied modern sensibility and style to traditional subjects: the Bible, history, mythology, the nude, portraiture, landscape and still life.

DENMARK

HUMLEBAEK

Louisiana Museum of Modern Art, tel: 49-19-07-19, open daily. To May 25: "Men and Gods: New Discoveries from Ancient China." Examining the religious and mythological human figures during the emergence of Chinese civilization, the exhibition shows more than 200 objects, found in graves, which express beliefs about life after death.

FINLAND

HELSINKY

Museum of Foreign Art, tel: (0) 17-33-61, closed Tuesdays. To May 5: "The Tiger's Gaze: Traditional Korean Paintings." Landscape panoramas made up of several paper scrolls, crabs crawling on the shore, birds flying over the reeds, and faces deep in meditation tell the story of the development of Korean art from the 18th century to the 20th.

Bruce Gilden's photographs exploring the Haitian people and culture are on show in Bath, England.

FRANCE

NICE

Musee d'Art Moderne et d'Art Contemporain, tel: 04-93-13-23-30, closed Tuesdays. To June 9: "Man Ray: Retrospective 1912-1976." Focuses on the multidisciplinary works of the artist (1890-1976) including drawings, paintings. Dadaist and surrealist collage and combinations of objects, photographs, portraits, documentaries and movies.

PARIS

Chapelle de la Sorbonne, tel: 01-43-07-32-97, open daily. To March 30: "La Pieta: Oeuvre Divine." More than 100 photographs of Michelangelo's Pieta in Saint Peter's in Rome by Robert Hupka (born 1919) are displayed, as well as a copy of La Pieta "Rondanini," the fourth Pieta sculpted by Michelangelo.

Institut du Monde Arabe, tel: 01-40-51-38-38, closed Mondays. To Aug. 31: "Soudan: Royaumes sur le Nil." An exploration of archaeological finds from Sudan: Nubian statues, vases and zoomorph figures; colossal statues from the Napata Kingdom (650 to 300 B.C.) and objects from Meroe, where the treasure of Queen Amanishakheto was discovered in 1834.

Musee d'Orsay, tel: 01-40-49-48-14, closed Mondays. To May 18. "Auguste Preault: 1809-1879." Survey of the sculptor's works in the 1830s and 1840s, including funeral sculptures, portraits, medallions and public commands.

Opera Bastille, tel: 01-44-73-13-00. A new production of Bizet's "Carmen." Directed by Alfredo Aria, conducted by Gary Bertini, with Nell Schicoff, Elena Zaremba and Angela Gheorghiu. Feb. 22, 26, March 2 and 6.

VALENCIENNES

Musee des Beaux-Arts, tel: 27-22-57-20, closed Tuesdays. To May 4: "L'Arrestation du Christ de Jordaens." The exhibition presents a scientific study of the painting and the different phases of its restoration, the painting itself and a display of 17th-century works on the theme of the arrest of Christ.

GERMANY

BONN

Kunst- und Ausstellungshalle der Bundesrepublik Deutschland, tel: (228) 9171-200. To May 11: "The Great Collections VI: The Two Faces of the Hermitage." Focuses on two subjects: First, 150 objects of Scythian gold provide a glimpse of the Hermitage's archaeological collection. Also, jewelry, weapons and religious objects offer insights into the culture of the horsemen from the nothern coast of the Black Sea and the Altai Mountains of southern Siberia. Second, 65 paintings and 50 drawings of Baroque art, as well as examples of landscape, genre painting, still lifes and depictions of saints by Caravaggio, Carracci, Reni, Velazquez, Murillo and Poussin.

ITALY

MILAN

Teatro alla Scala, tel (2) 720-037-44. Alban Berg's "Wozzeck," directed by Jurgen Flimm, conducted by Giuseppe Sinopoli with Catherine Malfitano, Kim Begley and Franz Grundheber. Feb 28, March 2, 4, 6, 8 and 9.

TURIN

Teatro Regio, tel: (11) 88151. Puccini's "Tosca." Conducted by Christian Badea, with Raina Kabaivanska and Keith Olson. Feb. 22, 23, 25 and 26

NETHERLANDS

ROTTERDAM

Museum voor Volkenkunde, tel: (10) 441-9400, closed Mondays. To August 10: "2000 years on the Silk Road: Treasures from Uzbekistan." Display of more than 300 objects, including manuscripts, ceramics, metalwork and textiles.

SWEDEN

STOCKHOLM

Moderna Museet, tel: (8) 666-42-50, closed Mondays. To May 19. "Picasso and the Mediterranean Myth." Concentrates on the points of contact between Picasso's works and the art of the ancient world. The exhibition features more than 100 works by Picasso between 1904 and 1967, including paintings, sculpture, drawings, prints and ceramics. The classical part of the show consists of about 60 works from Cycladic, Mycenaean, Archaic, Iberian, Etruscan and Greco-Roman cultures.

UNITED STATES

CHICAGO

Art Institute, tel: (312) 443-3600, open daily. To May 11: "Ivan Albright." More than 120 paintings, sculptures and works on paper by the Chicago artist (1897-1983), including "The Picture of Dorian Gray." Albright's works include still lifes, character studies and self-portraits with intricate details and multiple colors.

NEW YORK

Museum of Modern Art, tel: (212) 708-9400, closed Wednesdays. To May 18: "Manuel Alvarez Bravo: Rare Vintage Prints Featured, Including 80 Works From the Artist's Personal Collection." Comprehensive survey of the Mexican artist's career (born 1902) from his early experiments with abstraction, through modernist works inspired by international trends such as surrealism, to the realization of a personal style concerned with Mexican customs and rituals.

LOS ANGELES

Los Angeles County Museum of Art, tel: (213) 857-6000, closed Mondays. To May 11: "Exiles and Emigres: The Flight of European Artists from Hitler." The exhibition explores the impact of emigration and forced exile on the lives and works of European artists during the years of Nazi domination. Paintings, sculptures, photographs, architectural models, graphics as well as posters, books, pamphlets, letters, and journals are on display; 23 artists are presented, including Chagall, Dali, Ernst, Kandinsky, Kokoschka, Leger and Mondrian.

Skirball Cultural Center and Museum, tel: (310) 440-4500. To July 25: "Georges Segal: Works from the Bible." Five monumental sculptures present the artist's personal interpretation of significant themes from the Book of Genesis. Segal is best known for his down-to-earth scenes of humble characters set in real environments.

WASHINGTON

National Gallery of Art, tel: (202) 737-4215, open daily. To May 11: "The Victorians: British Painting in the Reign of Queen Victoria, 1837-1901." 70 paintings by 36 artists including American artists John Singer Sargent and James McNeill Whistler; French, James Tissot; German, Franz Xaver Winterhalter, and British, Edward Burne-Jones, J.M.W. Turner, Edwin Landseer, William Powell Frith, Dante Gabriel Rossetti, Augustus Leopold Egg, Albert Moore and William Holman Hunt.

CLOSING SOON

Feb. 22: "L'Amerique de la Depression: Artistes Engages des Annees 30." **Musee-Galerie de la Seita, Paris.**

Feb. 23: "Cite Interdite: Vie Publique et Privee des Empereurs de Chine." **Musee du Petit Palais, Paris.**

Feb. 23: "Picasso and the Theater: Parade, Pulcinella, Mercure." **Museu Picasso, Barcelona.**

Feb. 23: "Still Time." **Kunsthal, Rotterdam.**

Feb. 23: "Double Vision: Nineteenth-Century Stereoscopic Photography." **Scottish National Portrait Gallery, Edinburgh.**

To Feb. 23: "Portrait Miniatures from the Collection of the Duke of Buccleuch." **Scottish National Portrait Gallery, Edinburgh.**

Feb. 23: "Howard Hodgkins: Paintings." **Hayward Gallery, London.**

Feb. 23: "Beyond Reason: Art and Psychosis: Works from the Prinzhorn Collection." **Hayward Gallery, London.**

Feb. 23: "Nicholas Pope: The Apostles Speaking in Tongues." **Tate Gallery, London.**

Feb. 23: "De Vallotton a Dubuffet." **Musee Cantonal des Beaux-Arts, Lausanne.**

Feb. 23: "Toulouse-Lautrec." **Fundacion Juan March, Madrid.**

Feb. 23: "New York Dada: 1915-1923." **Whitney Museum of American Art, New York.**

Feb. 23: "Russian Enamels: Kievan Russe to Faberge." **Walters Art Gallery, Baltimore.**

Feb. 23: "Memory: Luba Art and the Making of History." **National Museum of African Art, Washington.**

Feb. 25: "Souvenirs of Savings: Miniature Bank Buildings from the Collection of Ace Architects." **Museum of Modern Art, San Francisco.**

Feb. 26: "Surrealist Games. Exquisite Corpse: Collective Works by Picasso, Miro, Dali, Breton, Eluard, Tanguy, Peret, etc." **Fundacion Thyssen-Bornemisza, Madrid.**

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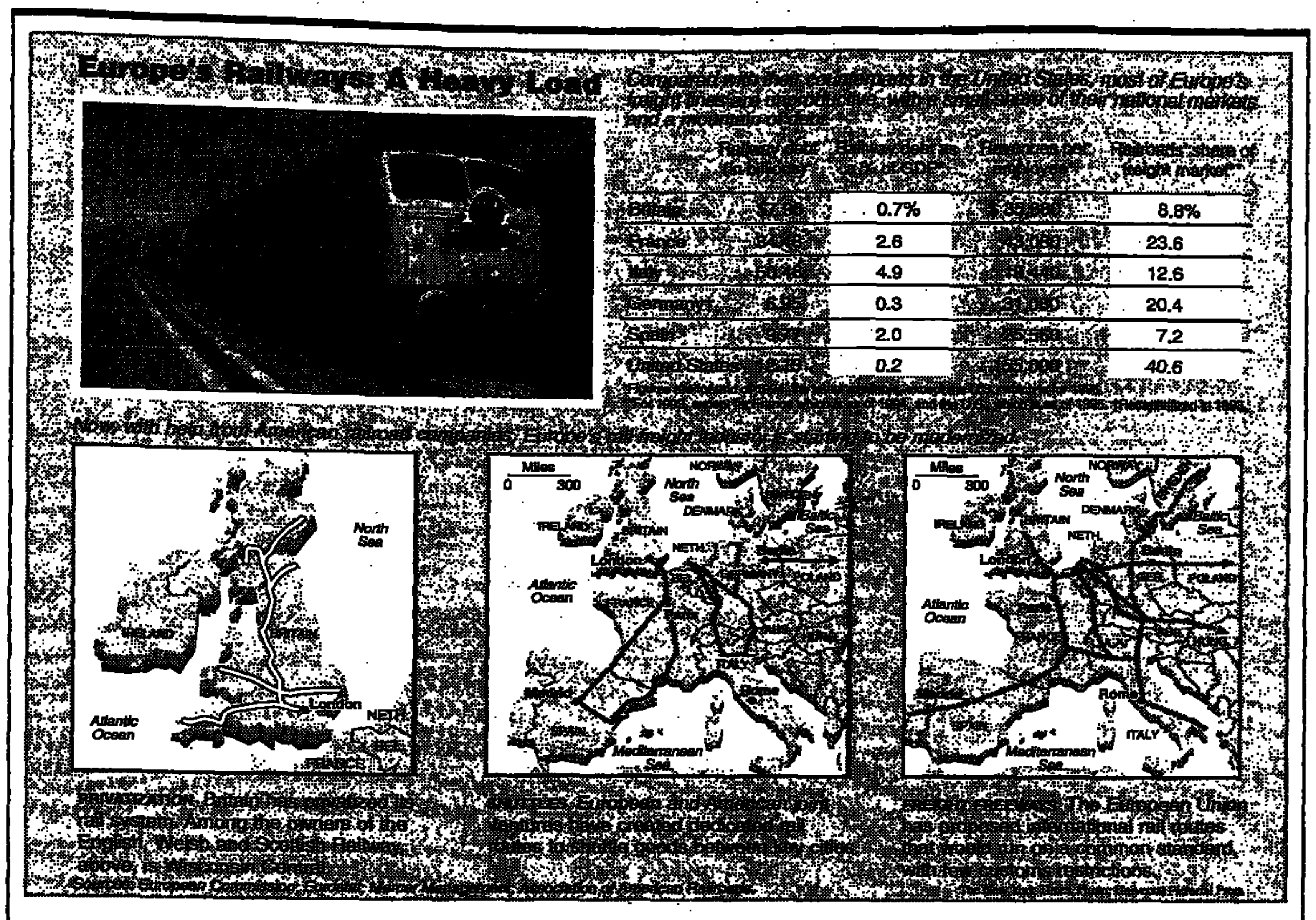

Europe Lags the Rail-Freight Revolution

By John Tagliabue
New York Times Service

ROME — You would not think Europe could learn anything about running railroads from the United States. Europe has the bullet-like TGVs and tilting trains; the United States has Amtrak.

But while it is true that European passenger service is a heavily used showcase of comfort and speed, freight shipping is another world entirely. Borders are bottlenecks where shipments must be hauled off one train and put on another to accommodate changes in track gauge — there are three widths in Europe, not to mention seven electrical standards and a jumble of signal systems.

Featherbedding is still common, and customers can be few and far between. Rail's share of total freight movement in Britain has slipped to just 6 percent, measured by tonnage and distance, compared with 41 percent in the United States. In short, the painful shakeout that reshaped the U.S. industry in the 1980s has not yet happened in Europe.

"It's like the United States 10 years ago," said Matty Vanderbroek, a rail specialist in the London office of Mercer Management Consulting, a transport consulting firm.

But now that Europe is preparing for economic unification, planners are introducing new rail technology, like so-called intermodal systems that move containers by road and rail. They are breaking up inefficient state rail monopolies into commercially viable pieces. In an increasing number of cases, they are even opening the door to outside competition — including U.S. companies.

The early arrivals include Wisconsin Central Transportation Corp., a specialist in turning around troubled freight companies, which leads the consortium that bought Britain's freight system in 1994, when the government sold off its nationalized rail service. CSX Corp., the big Virginia-based rail and shipping company, and its Sea-Land subsidiary are in joint ventures with the Europeans to introduce American-style freight shuttles. Mercer Management, a unit of Marsh & McLennan, was sought out by the European Union for its advice on rail-freight deregulation.

The Americans are bringing capital and a rich trove of expertise.

Asked about the contribution of American partners such as CSX, Rene Holdert, a spokesman for NS Cargo, a Dutch freight company, said: "The whole administration has changed. It's now all computerized: the trading and tracing of rail cars, for example, so you can always find a car for a client, even if it's very late. Under the old-fashioned national systems, with phones and faxes, you relied on offices, and they were often empty late at night."

Change will not come smoothly. Europe's powerful unions are fighting a rear-guard action that guarantees tense moments and more than a few costly disruptions. Earlier this month, for example, rail workers in France staged a daylong strike to protest government plans to restructure the unprofitable state-owned railway SNCF.

The underlying catalyst for change is the realization that Europe simply cannot afford any longer to have such a costly and inefficient freight system. In 1994, according to European Commission figures, the cumulative debt of Europe's railways came to $135 billion, an amount that has grown since. In France and Italy, railway debt was equivalent, respectively, to 2.6 percent and 5.0 percent of gross domestic product. Much of that debt came from the generous financing of passenger service, which has benefited disproportionately from upgrades to the rail system. But at least the passenger lines attracted more and more customers.

As governments scramble to cut spending to meet the requirements for a single European currency, the days of endless rail subsidies are fast dwindling.

Late last year, the European Commission's senior transport official, Neil Kinnock, warned the 15 member governments that future rail assistance would be subject to commission approval, as subsidies to airlines and other industries already are. Beginning in 1998, Mr. Kinnock said, railway subsidies would be authorized only if accompanied by strict cost reduction proposals.

Anticipating such an endgame, several countries, including Germany, Sweden and the Netherlands, have cut up their national rail systems into divisions for passengers, freight and the maintenance of infrastructure like tracks and signal systems. France plans similar steps, despite the union resistance.

Asian Stock Markets Rise On News of Deng's Death

Event Dispels a Cloud of Uncertainty

Compiled by Our Staff From Dispatches

HONG KONG — Stock markets in China, Hong Kong and Taiwan rose Thursday after the death of China's paramount leader, Deng Xiaoping, allowed investors to put recent uncertainty behind them.

"This is something that stock markets have been gearing up for for some considerable time," said Peter Churchouse, regional strategist at Morgan Stanley in Hong Kong.

"People have got used to the idea and thought long and hard about likely directions in China post-Deng anyway. People have got their own views and have become more or less comfortable with them," he added.

The single most sensitive and volatile factor for the markets in and around China in recent years had been the health of Mr. Deng. Suddenly, the issue is not there anymore.

Stocks had been sliding this week on reports that Mr. Deng's health was deteriorating. But word from China late Wednesday that Mr. Deng, 92, had died brought investors back on Thursday.

Hong Kong's benchmark Hang Seng index rose 2.33 percent to close at 13,411.33 points, up 305.01.

In Shenzhen, the benchmark index of B-class shares, which foreigners may buy, closed up 1.25 percent, while in Shanghai, the domestically traded A-share index closed up 0.3 percent.

Taipei's benchmark index closed up 0.28 percent, recovering from a 1 percent drop.

The stability of the stock markets is indicative of the widespread belief that the economic reforms Mr. Deng pioneered are too firmly anchored to be uprooted now.

"You're not going to see a power struggle. You're not going to see bickering in the back rooms of Beijing," said Aurole Foong, a fund manager at Peregrine Asset Management.

For the most part, Mr. Deng had already faded from the scene. While his death marks the end of a chapter in China's history, it is likely to mean little for investors and may even speed reforms in the political arena.

"Things that Deng wouldn't countenance will probably now come to pass, including greater openness in the political sphere," said David Goodman, a biographer of Mr. Deng.

Closed-end mutual funds that invest in greater China were little changed after Mr. Deng's death was announced by Communist Party officials.

On commodity markets, rallies in U.S. corn, wheat and oilseed contracts were cut short after news of Mr. Deng's death circulated in Chicago's trading pits Wednesday. Traders speculated that China, a large buyer of U.S. agricultural products, might scale back its purchases.

The mild reaction to speculation earlier this week that Mr. Deng was near death stands in sharp contrast to January 1995, when reports of his death roiled Hong Kong stocks, driving the benchmark Hang Seng Index down by a sixth in a month.

In the past week, by comparison, the Hang Seng fell less than 3 percent.

China's Communist Party boss, Jiang Zemin, took advantage of Mr. Deng's failing health to move China away from behind-the-scenes political leadership by elderly revolutionaries like Mr. Deng to consensus decision-making among younger technocrats.

One reason for investor confidence may be the pervasive reach of Mr. Deng's economic reforms. Mr. Deng opened China to market economics and foreign investment after three decades of socialist isolation under Mao Zedong. He accepted enough of the tenets of capitalism to attract billions of dollars in foreign investment and achieve an average economic growth rate of about 10 percent in the last 10 years.

At times, though, Mr. Deng's enthusiasm for growth led to excess. In 1992, his vision of dotting China's coast with economic powerhouses like Shenzhen led to high inflation.

Mr. Jiang and his economics chief, Zhu Rongji, responded with three years of government loan restrictions that cut the inflation rate to 6 percent last year from 21.7 percent in 1994. They used interest rates as a means of fine-tuning the economy, clamped down on corruption and focused on attracting foreign investment. *(Reuters, Bloomberg, AFP)*

Wall Street Finds Much Fault In White House Budget Plan

Analysts' Scorn Contrasts With Previous Respect

By Clay Chandler
Washington Post Service

WASHINGTON — Treasury Secretary Robert Rubin rarely misses an opportunity to remind listeners of his "26 years on Wall Street." But when it comes to sizing up President Bill Clinton's latest budget plan, Mr. Rubin and his former colleagues do not quite see eye to eye.

Analysts at most of the big New York investment houses are heaping scorn on Mr. Clinton's proposal. Among the most contemptuous: analysts at Goldman Sachs & Co., where Mr. Rubin was co-chairman before joining the administration.

The plan proposes "No Meaningful Fiscal Restraint Before the Millennium," scoffed the headline of an analysis the brokerage sent last week to clients. It said the proposed budget was riddled with "timeworn accounting tricks" and other "highly dubious elements."

"Even on its own terms," the financial advisers concluded, the proposal "would require essentially no further belt-tightening through the end of this decade."

While the report concluded that the prospects for a balanced budget deal remained favorable this year, the budget-writing process "should not materially alleviate concerns about the long-term outlook for federal finances."

The Treasury Department declined to comment on the Goldman Sachs analysis.

Such sentiments contrast with the grudging admiration Mr. Clinton earned from many Wall Street analysts in the first year of his presidency. His first budget proposals were bitterly resisted by Republicans, who opposed raising taxes on upper-income households, but many economists and market analysts credit the Democrat's 1993 deficit reduction package for the subsequent drop in interest rates.

When Mr. Clinton unveiled his proposed federal budget for the fiscal year that starts Oct. 1, Mr. Rubin said markets would treat it with respect. The reaction, he asserted, would be far different from when Mr. Clinton's Republican predecessors announced their budgets and big Wall Street firms like his "would write up little research reports and we would deride the assumptions — and rightly so."

But many Wall Street analysts have assailed Mr. Clinton's plan with just the sort of indignation they directed at the budgets of the Reagan and Bush era. The plan "does not appear to be an aggressive budget," said economists at Smith Barney Inc. "Only small cuts in entitlement spending are proposed."

What cuts it does call for, they added, "appear to be concentrated in the final two to three years of the budget horizon."

"As a result," they said, "these cuts probably have to be regarded as 'speculative.' "

Wall Street criticism is not just directed at the administration, of course. Bondholders also are wary of efforts by congressional Republicans to push through sweeping tax cuts. The Goldman Sachs analysis, for example, faults the Republicans and Mr. Clinton alike for pushing tax relief at the expense of deficit reduction and ducking action to contain the huge cost increases projected in the next century for such federal benefit programs as Medicare, Medicaid and Social Security.

David Munro, an economist at High Frequency Economics, said the White House's economic assumptions were more realistic than those of the Bush and Reagan administrations. But he said he doubted that Mr. Clinton's budget would lower deficits nearly as much as the White House claims.

The administration's deficit projections assume that the nation's economy will grow at an annual, inflation-adjusted rate of 2 percent in 1997 and 1998, and at a rate of 2.3 percent for each of the following three years. That forecast is only a bit more optimistic than the latest from the Congressional Budget Office.

Publicis and True North End Ad Feud With Smiles

By Stuart Elliott
New York Times Service

NEW YORK — What has been perhaps the most fractious dispute in advertising ended surprisingly peacefully late Wednesday when two big agency companies — True North Communications Inc. in Chicago and Publicis SA in Paris — agreed to settle all outstanding differences concerning the dissolution of a global business alliance.

The settlement was announced by True North, which is No. 7 worldwide with billings estimated at $7.5 billion, and Publicis, which is No. 13 with billings estimated at $4.1 billion.

The terms of the deal, approved by the boards of both companies, seemed to favor Publicis: it will acquire 100 percent of a joint-venture agency network in Europe — the largest in the market — that had been owned 51 percent by Publicis and 49 percent by True North.

The profits from that venture had accounted for 40 percent of True North's annual profits, though True North executives say that figure had

MEDIA MARKETS

decreased last year to less than 25 percent.

Even so, the settlement was beneficial for True North, which owns agencies like Foote, Cone & Belding and works for giant marketers like S.C. Johnson Wax and Mazda Motor Corp. It ends almost four years of bitter fighting that analysts said had hampered the performance of True North's publicly traded shares, which have lagged behind those of rivals like the Interpublic Group of Cos. and Omnicom Group.

Bruce Mason, chairman and chief executive at True North, said Wednesday of the settlement: "We got what we needed; we solved what we had to. We finally have a smile on our face."

Maurice Levy, chairman and chief executive at Publicis, was cheerful, and not only because his birthday was Tuesday.

"I also feel happy," he said in an interview from Paris, "because we finally got an agreement and the deal is quite good for both of us."

It does seem better for Publicis, though, because of the change in ownership in the joint-venture European agency network, known as Publicis FCB Europe, which True North and Publicis co-founded in 1988.

Publicis FCB Europe covers 31 countries and handles accounts worth an estimated $3.3 billion in billings.

Publicis FCB Europe is being renamed Publicis Europe. In exchange for its 49 percent interest, True North will get four offices that had been part of that joint venture, in Athens, Lisbon, London and Paris.

Those offices are to become the foundation of a separate European network for Foote, Cone that True North will form by merging them with Wilkens International, a European agency network based in Hamburg that True North acquired Feb. 4.

Agencies owned by and affiliated with Wilkens operate in 19 European countries, the same number that the new Foote, Cone Europe network will serve. Mr. Mason estimated that the billings of the new separate Foote, Cone Europe would be more than $1 billion.

True North will also receive a larger stake in Publicis Communication, the advertising unit of Publicis SA, which will increase to 26.5 percent from 20.8 percent. Publicis Europe will become a wholly owned unit of Publicis Communication. Publicis SA maintains its status as True North's largest shareholder, owning 20 percent.

"True North has tried for 20 years to achieve a presence in Europe, without much success," said Alan Gottesman, managing director at West End Communications/Consulting in New York, which follows the agency industry.

"Twenty years later," he added, "it's back to square one almost."

Mr. Mason took issue with that assessment. "We were able to get what we wanted," he said. "We're still a major owner of a joint venture and we will control 100 percent of a network. We've got the best of both worlds."

The deal came almost a year after True North and Publicis ended a global cooperative agreement under which they were bound to cooperate outside Europe. Both then began a series of separate acquisitions that served to pit each agency company against the other. Publicis bought control of agencies in Mexico, Brazil, Canada, Singapore and the Philippines.

True North countered with purchases in Canada, Chile and the United States, which were followed by the Wilkens acquisition. That was the first expansion by either True North or Publicis in Europe after they had agreed to disagree as of Feb. 29, 1996.

That acquisition apparently set in motion the settlement reached Wednesday, as did an agreement in December that established the process for each agency company to move accounts out of their joint operations if clients so desired. That accord arose from a squabble in Mexico City, where Publicis had tried to shift a Nestle SA account from the Foote, Cone office there into a local shop that Publicis had acquired.

CURRENCY & INTEREST RATES

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Feb. 20

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Brussels	34.94	55.845	20.6435	6.1095	2.0778*	18.3825	—	23.73	0.2821	25.45	24.35*
Frankfurt	1.6875	2.7155	—	0.296	0.1006*	0.8904	4.8449*	1.1418	1.367*	1.2421	1.1796*
London (a)	1.6714	—	2.7226	9.1966	2,695.704	3.0577	56.246	2.3888	198.327	2.2806	230.66
Madrid	140.768	229.856	84.754	25.082	8.524*	75.467	4.1061	96.831	116.854*	105.116	—
Milan	1,677.55	2,709.28	994.30	294.42	—	887.86	48.231	1,137.85	13.69	1,228.40	11.725
New York (b)	—	1.6113a	1.6852	5.6865	1,665.00	1.8927	34.77	1.405	122.65	1.3603	142.77
Paris	5.692	9.164	3.3771	—	0.3309*	3.0088	0.1637	3.9606	4.6258*	4.1989	3.9668*
Tokyo	124.15	200.81	73.17	21.67	0.735	65.77	3.5469	65.37	—	91.37	0.8637
Toronto	1.3603	2.1933	0.8079	0.2393	0.0818*	0.7192	0.3916*	0.9226	1.1169*	—	0.955*
Zurich	1.4809	2.3833	0.8775	0.2591	0.0884*	0.7797	4.2403*	—	1.2028*	1.0929	1.004*
1 ECU	1.1576	0.719	1.9489	6.5088	1,928.78	2.1809	40.3462	1.7667	142.427	1.5732	165.276
1 SDR	1.3780	0.8565	2.3265	7.8444	2,308.23	2.6071	47.9983	2.0059	170.614	1.872	196.771

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York and Toronto rates at 3p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9998	Greek drac.	264.38	Mex. peso	7.757	S. Afr. rand	4.4775
Australian $	1.2992	Hong Kong $	7.7408	N. Zealand $	1.4476	S. Kor. won	859.05
Austrian sch.	11.874	Hung. forint	174.53	Norw. krone	6.7155	Swed. krona	7.4205
Brazil real	1.0501	Indian rupee	35.88	Phil. peso	26.35	Taiwan $	27.58
Chinese yuan	8.3264	Indo. rupiah	2388.75	Polish zloty	3.05	Thai baht	26.03
Czech koruna	28.65	Irish £	0.638	Port. escudo	170.46	Turkish lira	120840.
Danish krone	6.4322	Israeli shek.	3.352	Russ. ruble	5663.00	UAE dirham	3.672
Egypt. pound	3.3965	Kuwaiti dinar	0.3038	Saudi riyal	3.75	Venez. boliv.	470.00
Fin. markka	5.0193	Malay. ring.	2.4876	Sing. $	1.4275		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6055	1.6045	1.6034	Japanese yen	122.63	122.23	121.80
Canadian dollar	1.3560	1.3532	1.3507	Swiss franc	1.4718	1.4671	1.4621
Deutsche mark	1.6834	1.6803	1.6769				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates

Feb. 20

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 5/16 - 5 7/16	3 1/4 - 3 3/8	1 9/16 - 1 11/16	6 - 6 1/8	3 5/16 - 3 7/16	7/16 - 1/2	4 1/16 - 4 3/16
3-month	5 7/16 - 5 9/16	3 1/4 - 3 3/8	1 11/16 - 1 13/16	6 - 6 1/8	3 1/4 - 3 3/8	7/16 - 9/16	4 1/16 - 4 3/16
6-month	5 1/2 - 5 5/8	3 1/4 - 3 3/8	1 1/2 - 1 5/8	6 1/8 - 6 1/4	3 1/4 - 3 3/8	7/16 - 9/16	4 1/8 - 4 1/4
1-year	5 5/8 - 5 3/4	3 - 3 1/8	1 5/8 - 1 3/4	6 7/16 - 6 9/16	3 5/16 - 3 7/16	1/2 - 5/8	4 1/8 - 4 1/4

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/4	8 1/4
Federal funds	5 5/16	5 1/4
90-day CDs dealers	5.35	5.35
180-day CP dealers	5.25	5.27
3 month Treasury bill	5.07	5.09
1-year Treasury bill	5.44	5.44
2-year Treasury bill	5.80	5.78
5-year Treasury note	6.14	6.08
7-year Treasury note	6.23	6.17
10-year Treasury note	6.34	6.29
30-year Treasury bond	6.61	6.58
Merrill Lynch 30-day RA	4.88	4.88
Japan		
Discount rate	0.50	0.50
Call money	0.45	0.44
1-month interbank	0.56	0.56
3-month interbank	0.56	0.56
6-month interbank	0.59	0.59
10-year Govt bond	2.51	2.45
Germany		
Lombard rate	4.50	4.50
Call money	3.11	3.15
1-month interbank	3.20	3.20
3-month interbank	3.20	3.18
6-month interbank	3.20	3.18
10-year Bond	5.54	5.49

Britain		
Bank base rate	6.00	6.00
Call money	6.00	6 1/4
1-month interbank	6 1/16	6 1/8
3-month interbank	6 3/16	6 3/16
6-month interbank	6 5/16	6 5/16
10-year Gilt	7.12	7.09
France		
Intervention rate	3.10	3.10
Call money	3 5/16	3 1/4
1-month interbank	3 1/4	3 5/16
3-month interbank	3 1/4	3 5/16
6-month interbank	3 1/4	3 5/16
10-year OAT	5.40	5.40

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	N.A.	345.25	+1.25
London	344.85	345.00	−0.25
New York	347.30	352.60	+5.00

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (April).
Source: Reuters.

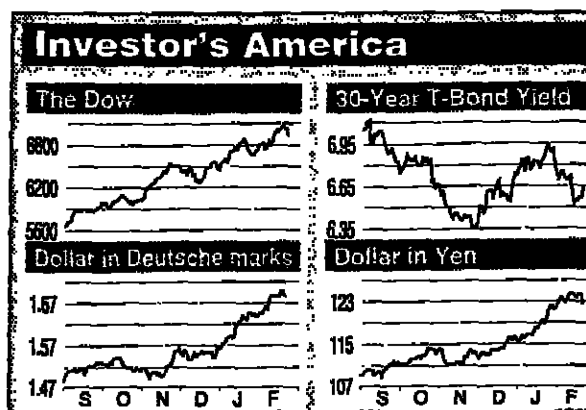
CAPITAL GROWTH COMPANY, S.A. (Costa Rica), CAPITAL GROWTH FUND and CAPITAL GROWTH REAL ESTATE FUND, INC.

Michael F. Armstrong, as the Receiver of Capital Growth Co., S.A. (Costa Rica) and Capital Growth Co., S.A. (Panama), successors to the Capital Growth Fund and Capital Real Estate Fund, Inc. (collectively referred to as "Capital Growth Companies"), has applied for an order from the federal court to terminate the receivership in **Securities and Exchange Commission v. Capital Growth Co. S.A. (Costa Rica) et al.**, to make certain final payments to the attorneys who assisted the Receiver, and to make a final distribution of the assets of the receivership. The Court has scheduled a hearing for August 15, 1997, regarding the approval of the Receiver's plan. In order to have the opportunity to participate in the distribution of the assets of Capital Growth Companies, any creditors and holders of shares or debentures of the Capital Growth Companies must file your application with the Receiver, Michael F. Armstrong, 1251 Avenue of the Americas, 45th Floor, New York, N.Y. 10020-1104 so that he receives your application by no later than **May 23, 1997. THIS IS YOUR LAST AND ONLY CHANCE TO PARTICIPATE IN THE DISTRIBUTION OF ASSETS.** In order to meet this deadline, you should write to the Receiver at the above address immediately, or at the latest within four weeks of the date of this publication, requesting the application. If the Receiver does not receive your application by **May 23, 1997**, then you will be barred from participating in the distribution of the assets. In response to your letter stating your desire to participate in the distribution, the Receiver will send you a copy of the Proposed Plan of Distribution, a claim form, and a letter summarizing the procedures of the Proposed Plan. The hearing may be adjourned from time to time by the Court without further notice.

Michael F. Armstrong, Receiver

THE AMERICAS

Investor's America



Exchange	Index	Thursday 4 PM	Prev. Close	% Change
NYSE	The Dow	6927.38	7020.13	-1.32
NYSE	S&P 500	802.77	812.47	-1.19
NYSE	S&P 100	781.92	790.71	-1.11
NYSE	Composite	421.94	425.57	-1.06
U.S.	Nasdaq Composite	1347.29	1365.58	-1.34
AMEX	Market Value	597.41	599.14	-0.29
Toronto	TSE Index	6211.00	6249.20	-0.61
São Paulo	Bovespa	87018.24	87713.46	-0.79
Mexico City	Bolsa	3845.28	3874.32	-0.75
Buenos Aires	Merval	726.26	728.69	-0.33
Santiago	IPSA General	5339.66	5346.12	-0.12
Caracas	Capital General	6653.21	6679.58	-0.39

Source: Bloomberg, Reuters — International Herald Tribune

GM May Sell 20% of Delphi

By Robyn Meredith
New York Times Service

DETROIT — General Motors Corp. is considering selling as much as 20 percent of its huge automotive electronics and auto parts units, said John Smith Jr., GM's chairman and chief executive officer.

GM is in the process of adding its Delco Electronics Corp. to its Delphi Automotive Systems unit to form the world's largest auto supplier, with 210,000 employees and revenue of approximately $32 billion. GM also acknowledged Wednesday that it was cooperating with the Justice Department, which is investigating whether employees of GM or Volkswagen AG accepted kickbacks to steer contracts to auto suppliers.

Mr. Smith said that Delphi, once Delco is merged with it, "is essentially going to be a smart systems, smart parts operation with a focus on growth." Delco is a subsidiary of GM's Hughes Electronics Corp.

GM announced last month that it would merge Delco with Delphi and that it would sell Hughes' military businesses to Raytheon Co. for the equivalent of $9.5 billion, pending approval by the Pentagon and the Justice Department.

Delco designs and builds automotive electronics including stereos, collision warning systems, electronic engine controls, navigation systems and air bag and anti-lock brake modules. Delphi makes brakes, radiators, heating and air-conditioning modules, ignitions, seats, axles and other automotive parts and sells them to GM and other automakers.

If GM decides to sell part of Delphi, the stake sold "would not be more than 20 percent," Mr. Smith said. Companies incur taxes if they sell more than 20 percent of a unit.

"Overall, the general reaction in the market would be to see it as a big plus, for GM and for Delphi and for GM shareholders," said David Bradley, an analyst with J.P. Morgan Securities.

Acrophobia Sparks Wall Street Sell-Off

Compiled by Our Staff From Dispatches

NEW YORK — Stocks fell Thursday as money managers began to question whether they could expect much more from the market this year after the 10 percent gains already posted by blue-chip issues.

Stock prices may already reflect even the most optimistic outlook for profits and economic growth in 1997, analysts said.

"It is impossible that we can continue at this rate," said Jeff Erickson, a money manager at Advantus Capital Management Inc. "Earnings can't be that good."

The Dow Jones industrial average closed down 92.75 points at 6,927.38, while losing issues outpaced gaining ones by a 7-to-4 ratio on the New York Stock Exchange.

The Standard & Poor's 500-share index fell 9.72 points, to 802.77.

A drop in Treasury bond prices, and the resulting higher yields, also weighed on stocks because of the prospect of higher borrowing costs for companies.

The price of the benchmark 30-year issue plunged 27/32 points, to 99 24/32, taking the yield up to 6.64 percent from 6.58 percent on Wednesday.

Bond prices fell after reports on manufacturing and labor suggested the economy may be strong enough to quicken inflation.

The Federal Reserve Bank of Philadelphia said its regional economic index rose in February, as did its index of prices paid to manufacturers. The government reported, meanwhile, that the number of Americans applying for first-time unemployment benefits rose less than expected last week, a sign the labor market remains strong.

"Most of the economic news we've got points to lower inflation, but there are worries from the labor market," said David Connors, head government trader at Credit Suisse First Boston.

U.S. STOCKS

The government also said that housing starts rose 2 percent in January after dropping 11 percent in December.

The bond-market weakness sent financial issues lower, with Fleet Financial Group, Citicorp and First Union falling.

Eastman Kodak fell after unveiling an Internet service that will let consumers view photos they have taken, order reprints and send E-mail pictures to friends and relatives.

Drug stocks were lower as investors took profits in a sector that has outperformed the broader market this year. Johnson & Johnson, Merck, Pfizer and Abbott Laboratories dropped.

But there were some bright spots. Hasbro rose after the toymaker declared a 3-for-2 stock split and raised its quarterly dividend 20 percent.

WellPoint Health Networks rose after it reported fourth-quarter earnings almost quadrupled as membership in its managed health-care plans increased. *(Bloomberg, AP)*

Brill Is Selling Stake in Court TV

By David Segal and Paul Farhi
Washington Post Service

WASHINGTON — Steve Brill, the former lawyer who created a multimedia legal empire, plans to sell his stake in the Court TV cable channel and other interests to his corporate partner, Time Warner Inc.

Mr. Brill, whose channel gained attention by bringing gavel-to-gavel coverage of the O.J. Simpson criminal trial to millions of living rooms, is selling his share of American Lawyer-Media, the company that publishes American Lawyer and Legal Times Magazine, and Counsel Connect, an on-line service for lawyers. Terms were not disclosed.

The deal ends Mr. Brill's relationship with Time Warner. He and the media company have had increasingly rocky negotiations for several months over the fate of the legal publishing and TV holdings.

This also ends Mr. Brill's involvement in legal publishing, a field he entered as a 28-year-old lawyer and journalist nearly two decades ago. Mr. Brill said Wednesday that he planned to stay in the media business, but would not be specific about his plans.

Time Warner will now own 46 percent of Court TV, while NBC and the cable operator Liberty Media Corp. will each own a 27 percent share.

New York-based Time Warner said it intended to sell American Lawyer-Media and Counsel Connect to reduce its debt. Once it buys Mr. Brill's holdings in American Lawyer, Time Warner will be able to sell a 90 percent share of that company; the balance is held by the Daily Mail & Trust, a British media company.

Mr. Brill, 46, said that selling his holdings was "emotionally difficult."

Very briefly:

CME to Drop Reuters Trade System

CHICAGO (Bloomberg) — The Chicago Mercantile Exchange will drop Reuters Holdings PLC's electronic trading system and adopt a system developed by the French stock market authority, exchange officials said Thursday.

"It clearly is a march forward and it's in line with what the new century's going to look like," said Leo Melamed, a former mercantile exchange chairman. Officials cautioned that the exchanges signed a letter of intent and have not yet reached agreement.

The exchanges that will be linked under the new system will be the CME; the New York Mercantile Exchange; the Nymex's Comex division in the United States; the Matif, France's futures exchange; the SBF Paris-Bourse, the French stock market; and the Marches des Options Negociables, the French options exchange.

• **Compaq Computer Corp.** is entering the market for personal computers that are priced less than $1,000 with a machine based on a new chip produced by Cyrix Corp.

• **CompuServe Corp.** reported a loss for the financial third quarter of $14.2 million. A year earlier, the on-line service earned $9.4 million, or 13 cents a share.

• **Borland International Inc.** will dismiss 300 workers, or 30 percent of its work force, the second restructuring in the past four months for the software maker based in Scotts Valley, California.

• **Viasa**, the troubled Venezuelan state airline, appeared doomed after Venezuelan government officials announced they would spend no more money to save the company. The airline's principal owners, Iberia Airlines of Spain and the Venezuelan Investment Fund had raised hopes with a tentative deal in Madrid last month to save the airline.

• **Goldman, Sachs & Co.**, the Wall Street partnership, has named two new vice chairmen, Roy Zuckerberg and Robert Hurst, who will succeed Henry Paulson Jr. *NYT, Bloomberg*

Japanese Stock Rally Forces Dollar Down Against Yen

Compiled by Our Staff From Dispatches

NEW YORK — The dollar registered its biggest one-day decline against the yen since September 1995 on Thursday, as Japanese stocks soared amid optimism the government will buy depressed property held by banks.

"If the government buys up the property, that means better prospects for economic growth, which helps the yen," said Matthew Robertson, an international bond portfolio manager at Neuberger & Berman.

He noted that rising stocks also had the potential to draw foreign investors, who would need to buy yen in order to buy Japanese stocks. Japan's Nikkei 225-stock index rose to a six-week high Thursday.

The dollar also dropped against the Deutsche mark as bigger-than-expected increases in German money supply and business confidence cut speculation the Bundesbank would cut interest rates soon.

The dollar closed at 122.455 yen, down from 124.425 yen Wednesday, at 1.6835 Deutsche marks, down from 1.6981 DM, at 5.6840 French francs, down from 5.7340 francs and at 1.4740 Swiss francs, down from 1.4857 francs. The pound fell to $1.6114 from $1.6153.

The dollar was pressured against the mark by news that Germany's M-3 money supply, the Bundesbank's main inflation indicator, grew an annualized 11.7 percent in January from the fourth quarter, more than double expectations and well above the Bundesbank's 4 percent to 7 percent target range.

Also, the Ifo research institute announced that its business confidence index for Western Germany rose 2.6 points in January, to 93.3, its highest level in more than a year.

FOREIGN EXCHANGE

"The numbers suggest that pessimism over the German economy is overdone," said Marc Chandler, a currency trader at Deutsche Morgan Grenfell.

Germany's finance minister, Theo Waigel, added to pressure on the dollar when he said foreign exchange rates were "now more in line with fundamentals."

Still, many analysts said they expected the dollar to ultimately resume the rally that lifted it to a four-year high against the yen Friday and near a three-year peak versus the mark on Monday. Stronger economic growth and higher interest rates in the United States than in Germany and Japan will push the dollar up, traders said.

"In the long run, you want to buy dollars and sell marks, Swiss francs and yen," said Ben Strauss, a currency trader at Bank Julius Baer.

"It's an interest-rate play," he added, based on economic growth differentials between the United States and other countries.

But Mr. Strauss and others agreed the dollar would have difficulty surpassing 125 yen in the next month. Finance ministers and central bankers from the Group of Seven industrialized nations said in a statement Feb. 8 that the dollar has risen enough.

"The G-7 was more worried about the yen than the mark," said Olev Trygg, head of foreign exchange at Swedbank. "Probably 125 yen is the target they don't want broken."

The G-7 comprises the United States, Japan, Germany, Britain, France, Italy and Canada.

News Wednesday that the U.S. trade deficit with Japan grew 82 percent in January from a year earlier, according to Japanese figures, also weighed on the dollar.

(Bloomberg, Market News)

AMEX

Thursday's 4 P.M. Close
The top 300 most active shares, up to the closing on Wall Street.
The Associated Press.

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	3PM	Chg.
Indus	6969.34	7020.13	6937.39	6949.32	-70.81
Trans	2346.29	2347.68	2335.50	2338.89	-9.87
Util	230.43	230.85	229.37	229.40	-1.25
Comp	2149.30	2156.24	2135.99	2138.95	-17.29

Standard & Poors

	Previous High	Previous Low	Previous Close	Today 4:00
Industrials	953.22	945.29	946.70	937.68
Transp.	563.33	557.75	559.29	558.23
Utilities	200.53	198.96	199.36	198.12
Finance	96.43	95.73	95.80	94.92
SP 500	817.68	812.47	812.47	802.54
SP 100	797.25	790.01	790.75	781.46

NYSE

	High	Low	3PM	Chg.
Composite	425.57	421.27	421.68	-3.89
Industrials	532.02	527.08	527.76	-4.26
Transp.	364.76	363.04	363.36	-1.40
Utility	273.89	272.15	272.50	-1.37
Finance	400.08	393.81	393.99	-6.89

Nasdaq

	High	Low	3PM	Chg.
Composite	1360.86	1350.68	1351.71	-13.87
Industrials	1138.53	1131.24	1131.35	-8.67
Banks	1427.77	1422.97	1427.42	+0.37
Insurance	1502.30	1497.46	1501.92	+2.43
Finance	1771.12	1764.07	1764.07	-10.84
Transp.	867.41	863.55	862.64	-1.29

AMEX

High	Low	3PM	Chg.
600.37	598.06	598.57	-0.58

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	103.62	103.66
10 Utilities	100.46	100.55
10 Industrials	106.78	106.77

Most Actives

NYSE

	Vol.	High	Low	3PM	Chg.
HewlPk s	53283	56½	55½	56	-¼
PepsiCo s	45906	33⅝	32⅞	33¾	+⅝
PG&E Cp	40103	22¾	22⅛	22½	-¼
CUC Intl s	36855	24⅝	23	23⅛	-⁴⁹⁄₁₆
Analog s	33714	23⅛	22	22⅞	-½
FannMae	33391	42	40⅝	40⅞	-1⅛
TelBrasl	30874	95⅛	93⅞	94⅛	-¾
Fluor	30695	64⅝	62¹⁵⁄₁₆	64½	+2⅛
WalMart	30508	24⅛	23⅝	23⅝	-½
MicmT	30014	35⅝	34⅝	35⅛	+⅜
GftWFn	28253	45⅞	44⅝	45⅛	+⅞
K mart	26830	11⅛	10⅝	10⅞	—
AT&T s	26180	40⅛	39⅝	40	—
Ahmans	25315	42⅝	42	42⅛	-½
Compaq	25236	86	82⅝	83¼	-2¼

Nasdaq

	Vol.	High	Low	3PM	Chg.
Intel	127217	153	149¾	150⅝	-3⅞
Microsft s	77126	97½	95⅞	95⅞	-1⅝
Cyrix Cp	62463	30	27⅛	29⅝	+3⅜
Novell	59970	12⅝	12	12⅛	+⅛
Informx	58963	18⅝	17¹¹⁄₁₆	17⅞	-¾
Cisco	57780	64⅝	63⅜	63½	-1⅜
Oracle s	50640	42⅛	41⅝	41¾	+⅝
CascCm s	48166	30⅝	29¹⁄₁₆	29⅛	-1½
US Robt s	43427	62⅛	59	60¼	-⅞
DellCpt s	41099	74½	72¼	72⅝	-2⅝
3Com	40659	41⅝	40	40⅝	-⅞
MatTech	40094	½	⅛	⁵⁄₁₆	+⅛
ApldMat	39021	54⅝	52⅝	53½	-1⅜
FoneSys s	38733	34	32	33	+½
ESSTech n	34274	25⅝	22¼	24⅝	+⅝

AMEX

	Vol.	High	Low	3PM	Chg.
EchoBay	16856	7½	7	7⁷⁄₁₆	+⅛
EdTek	9009	½	⅜	⁷⁄₁₆	+⅛
SPDR	8109	81¹³⁄₁₆	80¹⁵⁄₃₂	80²⁵⁄₃₂	-⁵⁄₁₆
ViacB	7324	36⅝	35¼	36⅛	+⅜
PegGld	6562	8¹¹⁄₁₆	7¹⁵⁄₁₆	8½	+⅝
Nabors	5518	16⅝	15⅞	16⅝	+⅛
WEB Jpn n	4675	12⅜	12	12	+⅛
Ampex	4256	8⅛	7⅞	7¹⁵⁄₁₆	+⅛
ForstLb	4241	39⅝	38⅝	39	-½
BemoGold	4090	7⁷⁄₁₆	7	7⁷⁄₁₆	+⅛

Trading Activity

NYSE — Not available at press time

Nasdaq — Not available at press time

AMEX

	Noon	Prev.
Advanced	196	288
Declined	236	273
Unchanged	199	180
Total issues	631	741
New Highs	22	37
New Lows	5	2

Market Sales

	Today 4:00	Prev. cons.
NYSE	481.42	636.59
Amex	22.22	25.28
Nasdaq	541.07	616.70

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Banco Indus Colomb	x	.0781	2-25	3-13
x- approx amount.				
Marine Petrol Tr	-	.5199	2-28	3-28
Mesa Royalty Tr	-	.7948	2-28	4-30
Pacific Dun-lopADR	x	.0532	6-9	7-11
x- approx amount.				
Permian BasinRoy	-	.0738	2-28	3-14
STOCK SPLIT				
Britton & KoontzCap 4 for 1 split				
Data Dimensions 3 for 1 split				
Hasbro Inc 3 for 2 split				
Penn Enterprises 2 for 1 split				
Quick & Reilly Gp 3 for 2 split				
Whitehall Corp 2 for 1 split				
STOCK				
BuffsGold Mi	-	15%	2-14	2-28
Hawkins Chemical	-	5%	3-28	4-11
REVERSE STOCK SPLIT				
Executone InfSysts 1 for 3 reverse split				
INCREASED				
CocaCola Co	Q	.14	3-15	4-1
Hawkins Chem	S	.09	3-28	4-11
Mayflower Co-Op	Q	.15	3-4	3-11
MidConn Bank	Q	.195	3-17	3-31
Ohio Casualty	Q	.42	3-3	3-10
Post Properties	Q	.595	3-31	4-11
Sbarro Inc	Q	.27	3-18	4-2
Sierra PacificRes	Q	.31	4-17	5-1
WesBanco Inc	Q	.29	3-14	4-1
INITIAL				
Fst Fedl Bcshrs	-	.05	3-3	3-17
Hasbro Inc n	-	.08	5-1	5-15
Penn-Amer Group	-	.04	3-10	3-20
REDUCED				
Morgan Stan	M	.105	2-28	3-14
REGULAR				
Amer States Fnd	Q	.21	3-6	3-27
Block HR	Q	.20	3-11	4-1
MSB Fncl Inc	Q	.125	2-28	3-14
Manitowoc Co	Q	.1666	3-3	3-10
Marshall & Ilsley	Q	.185	2-28	3-14
New York Times	Q	.15	3-4	3-21
Nordson Corp	Q	.20	3-7	3-25
Nordstrom Inc	Q	.125	2-28	3-14
Northern Trust	Q	.18	3-10	4-1
Trustmark Corp	Q	.14	3-3	3-17
Washington REIT	Q	.26	3-17	3-31

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y - ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Feb. 20, 1997

Grains

	High	Low	Close	Chge	Opint
CORN (CBOT) 5,000 bu minimum- cents per bushel					
Mar 97	288	283¾	286½	+3	96,030
May 97	289½	283¾	287¾	+3½	105,827
Jul 97	287¾	282	287¼	+4½	78,578
Sep 97	282	276¼	280½	+3¾	12,175
Dec 97	280¼	274½	279	+3	51,459
Est. sales N.A. Wed's. sales 159,843					
Wed's open int 382,647 up 11532					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Mar 97	258.80	253.70	258.10	+4.70	32,324
May 97	252.40	248.20	252.00	+4.10	29,483
Jul 97	249.00	245.00	248.30	+3.60	23,771
Aug 97	244.50	241.30	244.30	+3.00	4,471
Sep 97	237.30	233.50	237.00	+3.20	2,916
Oct 97	224.00	221.50	224.00	+3.50	1,235
Est. sales N.A. Wed's. sales 31,251					
Wed's open int 108,892 up 1614					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
Mar 97	24.06	23.62	23.95	+0.23	32,019
May 97	24.49	24.00	24.35	+0.24	27,272
Jul 97	24.85	24.40	24.81	+0.30	16,614
Aug 97	24.97	24.68	24.97	+0.31	3,270
Sep 97	25.08	24.82	25.00	+0.22	2,728
Oct 97	25.15	24.95	25.15	+0.17	935
Est. sales N.A. Wed's. sales 23,593					
Wed's open int 88,976 off 589					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
Mar 97	785¾	772	783	+12	58,685
May 97	786	773½	783½	+10¾	50,477
Jul 97	785½	774	783	+10¼	37,864
Aug 97	777½	767	777	+9	7,082
Sep 97	738½	735½	738½	+5¾	2,412
Est. sales N.A. Wed's. sales 95,921					
Wed's open int 180,788 up 2532					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
Mar 97	365	361	363	+3½	20,481
May 97	363½	356½	362	+5¼	20,366
Jul 97	353	346	351½	+4½	28,557
Sep 97	355½	350	355½	+5½	2,583
Est. sales N.A. Wed's. sales 19,416					
Wed's open int 74,938 up 562					

Livestock

	High	Low	Close	Chge	Opint
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Apr 97	68.80	67.72	68.55	+0.77	44,594
Jun 97	65.00	64.30	64.75	+0.42	18,596
Aug 97	64.30	63.72	64.20	+0.45	19,150
Oct 97	68.85	67.50	67.82	+0.35	12,330
Dec 97	70.07	69.65	69.87	+0.22	4,633
Feb 98	71.50	70.90	71.15	+0.25	2,596
Est. sales N.A. Wed's. sales 28,029					
Wed's open int 103,556 up 945					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Mar 97	68.45	67.47	68.10	+0.60	5,202
Apr 97	69.37	68.40	69.07	+0.42	3,463
May 97	71.10	70.35	70.70	+0.37	5,020
Aug 97	74.60	73.90	74.15	+0.25	4,407
Sep 97	74.95	74.25	74.60	+0.47	1,587
Oct 97	75.65	75.05	75.25	+0.32	2,039
Est. sales N.A. Wed's. sales 3,783					
Wed's open int 22,449 off 64					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Apr 97	73.35	72.40	72.80	+0.10	16,346
Jun 97	79.30	78.30	78.75	+0.25	9,471
Jul 97	77.48	76.70	77.05	+0.15	2,265
Aug 97	74.30	73.35	73.45	-0.52	2,344
Oct 97	67.40	66.75	66.80	-0.10	1,491
Dec 97	65.17	64.40	64.40	-0.35	779
Est. sales N.A. Wed's. sales 9,176					
Wed's open int 33,160 off 1162					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 97	75.25	73.60	73.95	-0.67	344
Mar 97	75.60	73.90	74.50	-0.25	2,356
May 97	76.40	74.85	75.55	+0.05	3,598
Jul 97	75.45	73.90	74.60	+0.22	858
Aug 97	73.80	72.10	72.60	+0.90	526
Est. sales N.A. Wed's. sales 3,086					
Wed's open int 7,684 off 244					

Food

	High	Low	Close	Chge	Opint
COCOA (NCSE) 10 metric tons- $ per ton					
Mar 97	1238	1210	1215	-30	1,093
May 97	1284	1264	1267	-32	35,613
Jul 97	1312	1293	1298	-30	18,455
Sep 97	1342	1324	1327	-9	10,397
Dec 97	1361	1355	1355	-12	5,990
Est. sales N.A. Wed's. sales 3,974					
Wed's open int 89,791 off 1117					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Mar 97	183.50	174.80	179.00	+3.70	5,587
May 97	173.80	160.00	167.50	+1.30	22,406
Jul 97	166.00	156.00	160.25	+0.95	6,145
Sep 97	157.80	148.00	151.00	-0.80	3,640
Est. sales N.A. Wed's. sales 22,780					
Wed's open int 41,184 off 34					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 97	11.35	11.03	11.27	+0.06	32,349
May 97	11.19	11.01	11.15	—	32,899
Jul 97	10.85	10.72	10.79	-0.04	28,077
Oct 97	10.78	10.68	10.76	+0.05	22,115
Est. sales N.A. Wed's. sales 61,746					
Wed's open int 147,106 up 639					

	High	Low	Close	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Mar 97	82.15	80.00	82.00	+2.20	8,165
May 97	84.90	82.50	84.80	+2.10	9,927
Jul 97	87.70	84.00	87.70	+2.05	3,973
Sep 97	90.00	89.00	90.00	+1.45	3,010
Est. sales N.A. Wed's. sales 3,500					
Wed's open int 1 off 26237					

Metals

	High	Low	Close	Chge	Opint
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Feb 97	352.30	346.70	352.30	+4.60	1,817
Mar 97			347.40		23
Apr 97	353.20	346.50	352.60	+5.00	94,287
Jun 97	355.50	348.70	354.60	+5.60	25,840
Aug 97	357.50	352.80	357.80	+5.10	10,634
Oct 97	359.50	353.50	359.50	+5.20	5,121
Dec 97	362.50	355.90	361.20	+4.50	18,590
Feb 98			359.10		3,827
Est. sales N.A. Wed's. sales 33,340					
Wed's open int 192,448 off 2346					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Feb 97	112.80	111.70	111.85	-0.40	1,291
Mar 97	113.80	110.80	111.40	-0.30	23,014
Apr 97	109.80	109.50	109.50		2,016
May 97	108.60	107.00	108.00	+0.25	12,238
Jun 97	106.70	106.70	106.70	+0.10	865
Jul 97	105.70	105.00	105.30	+0.15	4,761
Aug 97			104.15		623
Sep 97	103.50	103.20	103.20	+0.05	2,661
Oct 97			102.35		598
Est. sales N.A. Wed's. sales 13,480					
Wed's open int 58,378 up 3302					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Feb 97			518.30		14
Mar 97	526.00	514.00	523.50	+4.50	49,185
Apr 97			521.50		2
May 97	530.00	519.00	528.00	+4.20	26,114
Jul 97	535.50	523.50	534.00	+5.40	10,177
Sep 97	539.00	528.50	539.00	+5.80	3,152
Dec 97	547.50	536.50	547.50	+7.40	3,355
Jan 98			542.90		9
Est. sales N.A. Wed's. sales 19,468					
Wed's open int 99,982 up 419					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Apr 97	372.50	366.00	372.70	+3.50	18,921
Jul 97	374.50	370.00	374.50	+3.20	3,401
Oct 97	376.00	370.00	375.50	+2.30	2,357
Jan 98			375.50		1,111
Est. sales N.A. Wed's. sales 2,494					
Wed's open int 25,124 off 668					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1573½	1574½	1572½	1573½
Forward	1605.00	1606.00	1605.00	1606.00
Copper Cathodes (High Grade)				
Spot	2415.00	2418.00	2427½	2429½
Forward	2333.00	2335.00	2342.00	2343.00
Lead				
Spot	660.00	662.00	658.00	659.00
Forward	667.00	669.00	666.00	667.00
Nickel				
Spot	7740.00	7750.00	7795.00	7805.00
Forward	7830.00	7840.00	7890.00	7900.00
Tin				
Spot	5960.00	5970.00	6010.00	6020.00
Forward	6010.00	6020.00	6055.00	6060.00
Zinc (Special High Grade)				
Spot	1195½	1196½	1207½	1208½
Forward	1216.00	1218.00	1230.00	1231.00

Financial

	High	Low	Close	Chge	Opint
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 97	95.04	95.03	95.04	+0.01	5,692
Jun 97	94.95	94.93	94.94	-0.01	3,715
Sep 97			94.82		1,066
Dec 97			94.68		847
Est. sales N.A. Wed's. sales 386					
Wed's open int 10,471 up 59					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Mar 97	107-12	107-00	107-05	-10	185,214
Jun 97	106-60	106-50	106-55	-07	34,543
Sep 97			106-48		
Est. sales N.A. Wed's. sales 40,962					
Wed's open int 219,757 up 344					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 97	109-31	109-24	109-26	-08	354,099
Jun 97	109-12	109-05	109-08	-08	45,228
Sep 97			108-31		3,610
Est. sales N.A. Wed's. sales 92,446					
Wed's open int 349,775 off 3163					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Mar 97	113-18	113-05	113-08	-12	483,805
Jun 97	113-03	112-22	112-24	-13	47,858
Sep 97	112-15	112-17	112-11	-12	11,517
Dec 97	112-01	112-01	112-01	-08	2,774
Est. sales N.A. Wed's. sales 384,800					
Wed's open int 547,956 up 864					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Mar 97	113-18	112-23	113-16	+0-07	198,769
Jun 97	112-31	112-15	113-01	+0-06	17,871
Est. sales: 90,731. Prev. sales: 83,425					
Prev. open int.: 216,640 off 364					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Mar 97	103.83	103.10	103.50	+0.01	240,205
Jun 97	102.69	102.37	102.67	+0.03	47,944
Est. sales: 253,483. Prev. sales: 254,179					
Prev. open int.: 288,149 up 6,973					

	High	Low	Close	Chge	Opint
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Mar 97	132.32	132.10	132.26	-0.36	142,439
Jun 97	131.00	130.82	130.94	-0.34	20,517
Sep 97	129.32	129.26	129.26	-0.32	1,578
Dec 97	N.T.	N.T.	98.56	-0.36	0
Est. volume: 185,405. Open int.: 164,534 off 678.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Mar 97	132.58	132.20	132.56	+0.07	121,884
Jun 97	129.80	128.80	129.82	+0.81	20,969
Sep 97	129.62	129.40	129.83	+0.66	600
Est. sales: 97,585. Prev. sales: 93,111					
Prev. open int.: 143,453 up 1,368					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Mar 00	93.47	93.45	93.46	-0.04	40,859
Jun 00	93.42	93.40	93.41	-0.04	34,852
Sep 00	93.38	93.36	93.37	-0.04	31,212
Dec 00	93.31	93.28	93.30	-0.03	25,749
Mar 01	93.30	93.28	93.30	-0.04	24,888
Jun 01	93.25	93.23	93.24	-0.04	21,209
Sep 01	93.21	93.19	93.20	-0.04	14,952
Dec 01	93.13	93.11	93.12	-0.04	9,806
Mar 02	93.14	93.11	93.12	-0.04	5,622
Jun 02	93.09	93.06	93.07	-0.04	5,096
Sep 02	93.05	93.02	93.03	-0.04	5,001
Dec 02	92.96	92.94	92.95	-0.04	5,589
Est. sales N.A. Wed's. sales 347,279					
Wed's open int 2,334,577 up 24087					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Mar 97	1.6186	1.6058	1.6102		34,212
Jun 97	1.6124	1.6040	1.6080		2,766
Sep 97			1.6088		1,091
Dec 97			1.6052		8
Est. sales N.A. Wed's. sales 7,393					
Wed's open int 39,877 up 197					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Mar 97	.7385	.7360	.7363		42,578
Jun 97	.7426	.7404	.7407		9,679
Sep 97	.7473	.7448	.7448		3,640
Dec 97	.7585	.7500	.7508		744
Est. sales N.A. Wed's. sales 12,440					
Wed's open int 56,728 up 100					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Mar 97	.5951	.5890	.5936		89,437
Jun 97	.6000	.5950	.5966		6,177
Sep 97			.5973		2,319
Dec 97			.6010		38
Est. sales N.A. Wed's. sales 29,360					
Wed's open int 97,963 up 2027					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Mar 97	.8185	.8046	.8171		77,132
Jun 97	.8285	.8200	.8268		3,752
Sep 97			.8372		675
Est. sales N.A. Wed's. sales 17,053					
Wed's open int 81,718 off 327					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Mar 97	.6804	.6737	.6783		51,460
Jun 97	.6867	.6803	.6840		2,901
Sep 97			.6882		1,695
Est. sales N.A. Wed's. sales 24,212					
Wed's open int 56,077 up 562					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Mar 97	96.85	96.81	96.82	-0.01	187,211
Apr 97	96.85	96.84	96.84	-0.01	5,865
May 97	96.85	96.85	96.85	-0.01	1,980
Jun 97	96.85	96.81	96.84	-0.01	182,443
Sep 97	96.78	96.74	96.77	-0.01	149,997
Dec 97	96.63	96.58	96.63	-0.01	174,302
Mar 98	96.47	96.42	96.47	Unch.	125,066
Jun 98	96.29	96.23	96.29	Unch.	112,680
Sep 98	96.10	96.04	96.09	+0.01	77,322
Dec 98	95.86	95.81	95.85	Unch.	70,432
Mar 99	95.62	95.60	95.62	-0.01	48,098
Jun 99	95.39	95.37	95.39	-0.01	25,814
Sep 99	95.16	95.14	95.15	-0.02	21,543
Dec 99	94.91	94.89	94.91	-0.01	22,446
Est. sales: 240,765. Prev. sales: 150,147					
Prev. open int.: 1,217,726 up 2,163					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Mar 97	93.75	93.72	93.75	+0.01	99,750
Jun 97	93.59	93.54	93.58	+0.02	126,616
Sep 97	93.41	93.35	93.41	+0.03	87,609
Dec 97	93.28	93.20	93.27	+0.03	57,109
Mar 98	93.17	93.10	93.17	+0.03	39,747
Jun 98	93.09	93.03	93.09	+0.03	37,243
Sep 98	93.02	92.97	93.02	+0.03	22,114
Dec 98	92.95	92.89	92.95	+0.03	18,832
Mar 99	92.89	92.83	92.89	+0.04	8,484
Jun 99	92.83	92.81	92.83	+0.04	7,407
Sep 99	92.76	92.76	92.77	+0.03	7,403
Dec 99	92.72	92.72	92.72	+0.02	4,772
Est. sales: 64,362. Prev. sales: 85,084					
Prev. open int.: 516,945 up 10,844					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Mar 97	96.66	96.63	96.66	-0.01	60,594
Jun 97	96.67	96.63	96.66	-0.02	50,447
Sep 97	96.66	96.62	96.64	-0.03	35,575
Dec 97	96.59	96.56	96.58	-0.03	28,623
Mar 98	96.50	96.47	96.47	-0.06	18,528
Jun 98	96.39	96.33	96.33	-0.07	16,049
Sep 98	96.22	96.17	96.17	-0.07	12,109
Dec 98	96.02	95.97	95.98	-0.07	10,103
Mar 99	95.78	95.75	95.76	-0.06	12,824
Jun 99	95.55	95.54	95.55	-0.05	6,414
Sep 99	95.33	95.31	95.32	-0.05	3,739
Dec 99	95.08	95.08	95.08	-0.07	2,797
Est. volume: 67,329. Open int.: 257,802 off 1,268.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Mar 97	92.88	92.75	92.86	+0.07	88,410
Jun 97	93.45	93.38	93.45	+0.14	95,262
Sep 97	93.77	93.69	93.77	+0.15	47,458
Dec 97	93.91	93.70	93.90	+0.14	33,172
Mar 98	93.93	93.75	93.93	+0.15	18,472
Jun 98	93.93	93.76	93.93	+0.15	10,822
Est. sales: 75,842. Prev. sales: 64,198					
Prev. open int.: 294,268 up 3,325					

Industrials

	High	Low	Close	Chge	Opint
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 97	72.79	72.30	72.65	+0.42	10,505
May 97	74.45	73.90	74.20	+0.35	33,862
Jul 97	75.45	75.25	75.40	+0.36	11,394
Oct 97			74.15		1,375
Dec 97	74.30	74.07	74.20	+0.23	13,468
Mar 98	77.00	77.00	77.00	+0.12	918
Est. sales N.A. Wed's. sales 30,800					
Wed's open int 1 off 71320					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Mar 97	59.80	58.10	58.20	-1.39	39,021
Apr 97	58.40	56.90	56.90	-1.39	22,297
May 97	57.10	55.90	56.00	-1.19	9,366
Jun 97	56.60	55.50	55.55	-1.09	7,665
Jul 97	56.30	55.60	55.70	-0.89	4,634
Aug 97	56.70	56.20	56.20	-0.74	4,058
Sep 97	57.20	56.70	56.70	-0.79	3,394
Oct 97	57.50	57.15	57.20	-0.79	2,367
Nov 97	58.40	57.70	57.70	-0.79	1,926
Dec 97	58.84	58.05	58.25	-0.74	5,401
Est. sales N.A. Wed's. sales 25,195					
Wed's open int 108,215 up 1516					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Mar 97	22.78	21.96	21.96	-0.83	48,652
Apr 97	22.30	21.63	21.70	-0.63	76,021
May 97	21.84	21.35	21.43	-0.51	41,230
Jun 97	21.53	21.03	21.20	-0.42	37,733
Jul 97	21.26	20.88	20.88	-0.47	16,669
Aug 97	21.08	20.70	20.71	-0.41	16,070
Sep 97	20.84	20.50	20.50	-0.43	15,981
Oct 97	20.63	20.35	20.40	-0.35	11,547
Nov 97	20.46	20.45	20.45	-0.14	9,258
Dec 97	20.40	20.15	20.15	-0.31	34,968
Jan 98	20.25	20.15	20.15	-0.20	13,071
Feb 98	20.25	20.12	20.12	-0.17	8,172
Mar 98	20.22	20.00	20.08	-0.23	2,191
Est. sales N.A. Wed's. sales 85,845					
Wed's open int 384,946 off 7928					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Mar 97	2.030	1.935	1.975		31,424
Apr 97	2.015	1.930	1.945		27,983
May 97	2.020	1.950	1.965		15,427
Jun 97	2.085	1.950	1.980		10,057
Jul 97	2.010	1.965	1.985		9,887
Aug 97	2.015	1.980	1.990		8,800
Sep 97	2.025	2.000	2.010		7,864
Oct 97	2.045	2.020	2.030		9,026
Nov 97	2.175	2.150	2.155		5,164
Dec 97	2.285	2.270	2.270		8,402
Jan 98	2.320	2.300	2.310		7,348
Est. sales N.A. Wed's. sales 46,222					
Wed's open int 170,752 off 2237					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Mar 97	64.60	62.40	62.95	-1.73	25,084
Apr 97	66.00	64.20	64.50	-1.66	27,928
May 97	65.90	64.35	64.55	-1.47	14,752
Jun 97	65.10	63.50	64.05	-1.06	9,287
Jul 97	63.70	62.70	62.70	-1.01	5,194
Aug 97	62.00	62.00	62.00	-0.21	4,037
Est. sales N.A. Wed's. sales 17,231					
Wed's open int 90,107 up 718					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Mar 97	178.00	171.75	173.50	-2.50	20,079
Apr 97	176.75	172.25	173.75	-2.25	9,582
May 97	176.50	172.50	174.50	-1.50	5,081
Jun 97	175.50	175.00	175.00	-1.25	8,484
Jul 97	176.75	176.00	176.00	-1.00	3,640
Aug 97	N.T.	N.T.	177.00	-0.75	1,107
Sep 97	N.T.	N.T.	178.00	-0.75	1,046
Oct 97	N.T.	N.T.	178.75	-1.00	1,304
Nov 97	180.00	179.50	179.50	-1.00	596
Dec 97	181.00	180.50	180.25	-1.00	5,292
Est. sales: 17,234. Open int.: 57,527 up 745					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Mar 97	20.62	20.07	20.09	-0.55	42,959
Apr 97	20.26	19.78	19.79	-0.53	30,809
May 97	19.93	19.60	19.62	-0.43	19,885
June 97	19.72	19.42	19.43	-0.39	12,594
July 97	19.60	19.32	19.30	-0.35	4,319
Aug 97	19.49	19.49	19.19	-0.32	5,818
Sep 97	19.38	19.36	19.10	-0.28	4,066
Oct 97	19.27	19.11	19.01	-0.25	2,550
Nov 97	19.16	18.93	18.93	-0.22	4,516
Dec 97	19.07	18.90	18.85	-0.19	3,872
Jan 98	18.80	18.76	18.76	-0.18	805
Est. sales: 19,901. Open int.: 152,142 up 1,542					

Stock Indexes

	High	Low	Close	Chge	Opint
S&P COMP. INDEX (CMER) 500 x index					
Mar 97	814.60	808.80	810.05	-4.25	184,980
Jun 97	821.80	816.50	817.80	-4.19	12,835
Sep 97			829.75		1,940
Dec 97	835.50	835.50	835.50	-2.40	1,984
Est. sales N.A. Wed's. sales 73,483					
Wed's open int 201,770 up 853					
CAC 40 (MATIF) FF200 per index point					
Feb 97	2590.0	2568.0	2582.0	-17.00	24,961
Mar 97	2596.0	2575.5	2589.0	-16.50	23,794
Apr 97	2595.5	2582.0	2589.5	-17.50	217
Jun 97	2566.5	2543.0	2555.0	-17.00	3,311
Sep 97	2567.5	2567.5	2567.0	-17.00	6,920
Dec 97	N.T.	N.T.	2586.5	-17.00	0
Mar 98	2605.5	2605.5	2605.0	-16.00	7,829
Sep 98	N.T.	N.T.	2579.5	-16.50	710
Est. volume: 20,934. Open int.: 67,342 off 1,664.					
FTSE 100 (LIFFE) £25 per index point					
Mar 97	4354.0	4307.0	4343.0	+2.0	67,444
Jun 97	4366.5	4361.5	4362.5	+1.5	6,486
Sep 97	N.T.	N.T.	4390.0	+2.0	1,601
Est. sales: 12,495. Prev. sales: 13,128					
Prev. open int.: 65,751 off 1,020					

مكتبة الأهرام

ING Seeks an Insurer In the U.S. and Allies In Europe Banking

Bloomberg News

AMSTERDAM — Internationale Nederlanden Groep NV said Thursday that it was seeking to buy a "suitable" U.S. insurer, while increasing its European activities before the introduction of the single currency, the euro.

"We are focusing on both," said Rudd Polet, a spokesman for the Dutch bank and insurer. "We consider Europe now as a new region, a new country."

No specific talks were under way yet in the United States, Mr. Polet said, but ING hopes to complete a deal this year or in 1998.

"They've got about 2.5 billion to 3 billion guilders to spend in the U.S., without additional capital needed," said Jean-Paul van Bavel of F. van Lanschot Bankiers NV. "They have good possibilities, and they want to increase their U.S. portfolio."

Aegon NV, a Dutch rival, outbid ING in December when it bought Providian Corp.'s insurance unit for $3.5 billion in stock and assumed debt. Aegon is the No. 22 European insurer. ING is No. 12.

"We were almost successful" with Providian, Mr. Polet said, "but another company's bid was higher than what we wanted to pay."

ING is capable of buying something on the scale of the Aegon purchase, said Henk Brouwer of Bank Bangert Pontier.

In Europe, where ING ranks No. 26 among banks in terms of assets, the company is looking more at alliances and joint ventures than acquisitions, Mr. Polet said.

The Netherlands is expected to be among the first members of the single currency planned for 1999.

The cost to ING of adapting to the euro, said the chairman, Aad Jacobs, would be 200 million to 300 million guilders ($105.1 million to $157.7 million). For the first nine months of 1997, ING has put aside 150 million guilders on the insurance side and 125 million on the banking side.

"ING has to be more broadly based in other countries," said Peter van Doesburg of Stroeve Effectenbank. "A good solution would be cross-holdings — not necessarily takeovers. A joint venture would be good for ING."

ING will very likely look in France and Germany for possible alliances, he said.

"These are the real countries where you have to consider alliances or takeovers," Mr. van Doesburg said. "But there you have high prices with relatively low profits."

ING owns 20 percent of Banque Bruxelles Lambert SA of Belgium, and analysts suggested it would aim to jump from Belgium to France.

"We are not going to undertake a large number of small projects over the full range of our activities," Mr. Jacobs said. "Instead we will focus on specific segments in which we intend to build up significant market positions." These include direct marketing, employee benefits, corporate finance and asset management.

Tax Bill Erodes Mannesmann Net

Bloomberg News

DUSSELDORF — Mannesmann AG, a machinery and telecommunications company, said Thursday its 1996 net profit fell 14 percent because of higher taxes and one-time charges at its engineering division.

Net profit fell to about 600 million Deutsche marks ($354.3 million), according to preliminary figures, from 701 million DM.

A surge in sales at its telecommunications division, however, helped 1996 pretax profit rise 10 percent, to about 1 billion DM, in line with expectations. Mannesmann said it would raise its dividend to 9 DM from 8 DM. Shares in the company fell 5.50 DM, to 672.50 DM.

Sales rose a better-than-expected 8 percent in 1996, to 34.7 billion DM, as revenue from telecommunications surged. Profit at Mannesmann's telecommunications division more than doubled from 464 million marks in 1995, leading to a higher tax bill for 1996.

Mannesmann said the number of subscribers to its D2 mobile-phone service grew to 2.3 million by the end of 1996, an average of 70,000 new customers per month since rates were cut in October.

Prodi Mini-Budget Stirs Debate

Move to Cut More Spending Rankles Allies and Foes

Reuters

ROME — Prime Minister Romano Prodi ran into trouble from the opposition and his coalition allies Thursday after announcing he would pass a mini-budget to ensure Italy was in shape to become one of the founding members of the European single currency.

Economic commentators, echoing the fears of ordinary Italians, wondered where Mr. Prodi was going to find the cash for fresh cuts in a runaway deficit just two months after passing a 1997 budget. He has already promised there would be no new taxes.

"It's time to leave ambiguity behind," urged the financial daily Il Sole 24 Ore in an editorial.

The ruling "majority must choose a precise line and show its cohesion, if it has any," the newspaper said.

Mr. Prodi's sudden decision to move ahead with the long-rumored mini-budget exposed strains in his ruling center-left coalition.

Massimo D'Alema, the leader of the Democratic Party of the Left, the former Communists who are the largest partner in the government, had said Monday that a mini-budget was inevitable but Mr. Prodi had retorted within hours that no decision had been made.

When, on Wednesday, Mr. Prodi said he had decided to pass a mini-budget after all, the party demanded an urgent meeting to clarify the measures it would contain.

Mr. Prodi has said he would wait until official accounts are out next month before detailing the size and scope of the mini-budget, but newspaper reports said it was expected to contain a "contribution" from pensioners, changes in severance pay, health cuts, a rise in the cost of gasoline and cigarettes and possibly an increase in the sales tax.

The plan also sparked criticism from the hard-line Refounded Communist Party, whose support gives Mr. Prodi a parliamentary majority. The party leader, Fausto Bertinotti, set down two conditions — no spending cuts, no new taxes — for its support. Union leaders have also attacked the plan.

Bonn Asks Multiparty Jobs Drive

Reuters

BONN — Germany's coalition government appealed Thursday for a cross-party drive to battle a national jobs crisis and said that, despite strained state finances, it would plow more cash into job-creating investments.

But, days before coalition leaders were to meet over tax reform with chiefs of the opposition Social Democratic Party, leaders of that party assailed the government for policies that they asserted had put 4.7 million people out of work.

The Social Democratic parliamentary leader, Rudolf Scharping, said that government tax and welfare reform proposals had "degenerated into meaningless promises and false starts — nothing more."

"The greatest risk to Germany as an industrial center is the policy of this government," he said in parliamentary debate on the government's annual economic report.

Turning his fire on the 14-year record of Chancellor Helmut Kohl, who did not speak, Mr. Scharping said: "No government has lied to the people as often as this one. Like no government before, you have failed to plan for the future."

Economics Minister Guenter Rexrodt stood by the official forecast of 2.5 percent growth in 1997, urging support from all sides to achieve a turnaround on employment this year. To create jobs, he said, 30 billion Deutsche marks ($17.8 billion) in tax cuts must been enacted quickly. Mr. Rexrodt reaffirmed the government goal of halving unemployment by the year 2000.

Finance Minister Theo Waigel announced an investment drive to help the so-called *Mittelstand* of smaller companies. He said a budget deficit of 2.9 percent of gross domestic product — meeting the Maastricht deficit target of 3 percent to qualify for European monetary union in 1999 — could be achieved with Social Democratic cooperation.

Intershop Sets Investor Paybacks

Bloomberg News

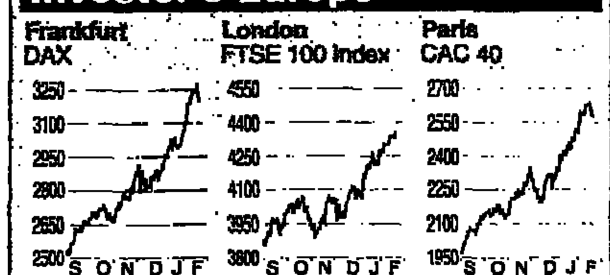
ZURICH — Intershop Holding AG said Thursday it planned to pay back 137 million Swiss francs ($92.2 million) in capital to investors, joining a growing number of Swiss companies in paying more attention to shareholders' demands.

The move comes after the company's major investors, Winterthur Insurance Co. and BZ Group, took control of Intershop, pressed for a change in management of the real-estate company and called for a greater focus on earnings. Intershop also said it would sell its U.S. property portfolio and focus on Europe in a bid to increase earnings.

"Intershop's decision to concentrate on shareholder value bears the signatures of its main shareholders," said Alain Oberhuber, an analyst at Union Bank of Switzerland, whose biggest shareholder is BZ Group. "It has to be a positive development."

The announcement follows capital paybacks by several other Swiss companies, including Danzas AG, the transport and distribution company, and ABB AG, parent of the engineering company ABB Asea Brown Boveri Ltd. Swiss companies launch capital paybacks because of the unfavorable tax treatment of share buybacks.

Investor's Europe



Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	AEX	733.71	738.23	-0.61
Brussels	BEL-20	2,103.33	2,104.65	-0.06
Frankfurt	DAX	3,196.03	3,233.75	-1.17
Copenhagen	Stock Market	549.92	549.22	+0.13
Helsinki	HEX General	2,903.18	2,860.51	+1.49
Oslo	OBX	622.40	620.75	+0.27
London	FTSE 100	4,356.10	4,357.40	-0.03
Madrid	Stock Exchange	475.28	481.20	-1.23
Milan	MIBTEL	12,357.00	12,160.00	+1.62
Paris	CAC 40	2,575.24	2,594.76	-0.75
Stockholm	SX 16	2,795.69	2,819.14	-0.83
Vienna	ATX	1,213.10	1,213.75	-0.05
Zurich	SPI	2,875.19	2,870.95	+0.15

Source: Telekurs International Herald Tribune

Very briefly:

- **Investor AB,** the main financial vehicle of Sweden's Wallenberg family, said 1996 pretax profit more than tripled as it posted a one-time gain of 12.4 billion kronor ($1.67 billion) from the sale of 55 percent of the truck and bus maker **Scania AB.** Pretax profit rose to 9.60 billion kronor from 3.05 billion kronor in 1995. Earnings suffered from an operating loss of 1.40 billion kronor in **Saab AB,** its wholly owned aircraft unit.
- **GEC-Marconi,** the defense unit of **General Electric Co.** of Britain, plans to cooperate with **Thomson-CSF** of France to develop missile guidance systems. General Electric has said it would like tighter links with Thomson-CSF, although it is unlikely to bid for the company.
- **Rank Group PLC,** the British leisure company that operates Hard Rock Cafes around the world, plans to create 3,000 full-time jobs in Britain this year. The company said 1996 profit, after an exceptional charge of £232 million ($375 million), was £65 million, down from £515 million in 1995.
- **Compagnie Bancaire SA** posted a 1996 net loss of 1.23 billion French francs ($215.1 million), compared with a net profit of 602 million francs in 1995. The company took one-time charges to cover real-estate losses and reorganization costs.
- **Dresdner Bank AG** said operating profit rose 40 percent, to 2.8 billion Deutsche marks ($1.65 billion). The bank will raise its 1996 dividend to 1.45 DM from 1.35 DM and pay a special bonus of 10 pfennig to commemorate its 125th anniversary.
- **Moody's Investors Service** said it was highly probable European monetary union would start on time in 1999; the credit rating agency said Austria, Belgium, Finland, France, Germany, Ireland, Luxembourg and the Netherlands were likely to be in the "first wave" of participants.
- **Volvo AB** has offered to buy **Champion Road Machinery Ltd.,** a Canadian maker of road-building equipment, for 173 million Canadian dollars ($127.3 million). *Bloomberg, Reuters*

The Trib Index

Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	153.01	+0.04	+0.03	+16.03
Regional Indexes				
Asia/Pacific	113.79	+3.68	+3.34	–15.25
Europe	160.98	+0.47	+0.29	+15.66
N. America	177.91	-3.17	–1.75	+38.69
S. America	138.44	-2.96	–2.09	+55.48
Industrial Indexes				
Capital goods	178.65	-2.05	–1.15	+32.94
Consumer goods	174.53	-0.73	–0.42	+26.41
Energy	177.19	-1.91	–1.07	+30.65
Finance	113.41	+2.60	+2.35	–10.86
Miscellaneous	162.21	+2.65	+1.66	+19.44
Raw Materials	182.86	-0.36	–0.20	+28.96
Service	141.61	-0.89	–0.62	+18.01
Utilities	132.37	-0.62	–0.47	+4.11

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg News.

WORLD STOCK MARKETS

Thursday, Feb. 20

Prices in local currencies.

Telekurs

Amsterdam

AEX index: 733.71 Previous: 738.23

	High	Low	Close	Prev.
ABN-AMRO	138.90	134.50	137.40	135.60
Aegon	124.70	123.50	124.10	124.70
Ahold	120.50	119	119.90	120.70
Akzo Nobel	282.50	274.50	278.80	282.50
Boon Co.	90	85.80	86.50	91.50
Bols Wess cva	33.40	32.60	32.80	33.10
CSM cva	114.50	110	110.80	114.60
Dordtsche Pet	358	353.50	355.90	361.50
DSM	182.80	179.70	182.50	183.20
Elsevier	32.40	30.40	30.50	30.90
Fortis Amev	72.50	70.90	71.50	72.40
Getronics	61.70	59	59.60	61.70
G-Broc cva	58.50	55.90	56.50	59.20
Hagemeyer	149.20	147.50	148.70	148
Heineken	328.30	324.10	326	328.70
Hoogovens cva	78	76.40	76.50	78.10
Hunt Douglas	140.20	137.60	139.50	140
ING Group	73.90	72.40	73.40	73.40
KLM	56.20	54.60	56.10	54.60
KNP BT	42	41.40	41.90	41.60
KPN	70	68.80	69.10	70
Nedlloyd Gp	56.70	55.70	56.10	57
Nutricia	284.20	281	282	284.20
Oce Grinten	245	242.20	244	244
Philips Elec	84.80	82.70	83.70	84.80
Polygram	87.50	86.20	87	87
Randstad Hdg	137	135.10	135.10	136.50
Robeco	163.30	162.10	162.20	161.20
Rodamco	60.90	60.10	60.50	60.50
Rolinco	166.90	165.80	165.80	166
Rorento	110.40	109.90	109.90	109.90
Royal Dutch	338	332.80	334.80	340.50
Unilever cva	361.90	358.50	361.80	362.20
Vendex Intl	88.90	86.10	86.20	88.60
VNU	40.30	38.60	40.30	39.10
Wolters Kl cva	253	239.10	243.50	249.90

Bangkok

SET index: 747.78 Previous: 731.74

	High	Low	Close	Prev.
Adv Info Svc	264	242	252	242
Bangkok Bk F	248	238	240	236
Krung Thai Bk	43.25	41.25	41.75	41.50
PTT Explor	352	328	340	344
Siam Cement F	768	712	764	704
Siam Com Bk F	160	151	159	148
Telecomasia	49.50	47.25	48.50	48
Thai Airways	44.75	40.75	44	40.75
Thai Farm Bk F	162	145	159	147
Utd Comm	169	159	164	161

Bombay

Sensex 30 index: 3494.49 Previous: 3528.44

	High	Low	Close	Prev.
Bajaj Auto	941	924	925.75	934
Hindust Lever	900	885	885	903.25
Hindust Petm	385.75	382	384	383.50
Ind Dev Bk	97	95	95	97.25
ITC	418.50	412	413	417.75
Mahanagar Tel	239.50	236	236.50	239.50
Reliance Ind	272.75	267.50	268	272.25
State Bk India	291.75	284	285.75	289.25
Steel Authority	22.25	22	22.25	22.25
Tata Eng Loco	344.25	339.50	343	343.50

Brussels

BEL-20 index: 2103.33 Previous: 2104.65

	High	Low	Close	Prev.
Almanij	12775	12625	12625	12500
Barco Ind	5830	5770	5780	5820
BBL	7270	7140	7210	7200
Bekaert	21350	20850	21350	21325
CBR	3290	3225	3225	3300
CMB	2390	2355	2375	2400
Cobepa	1302	1296	1302	1298
Cockerill	124	121	122	123
Colruyt	15200	14925	15100	15025
Delhaize Lion	2020	1995	2015	2020
Electrabel	8090	8000	8080	8100
Electrafina	3290	3270	3280	3300
Fortis AG	5840	5800	5840	5810
Gevaert	2580	2500	2570	2500
GIB	1540	1520	1520	1520
GBL	4765	4640	4765	4750
Gen Banque	12125	11850	12100	12200
Kredietbank	12000	11500	11950	11600
Petrofina	12450	12250	12425	12525
Powerfin	4900	4850	4900	4840
Royale Belge	8050	7910	8030	8000
Soc Gen Belg	2810	2785	2810	2805
Solvay	21525	21300	21500	21525
Tractebel	14875	14800	14850	14875
UCB	94500	93600	94250	94400
Union Miniere	2600	2540	2555	2625

Copenhagen

Stock Index: 549.92 Previous: 549.22

	High	Low	Close	Prev.
BG Bank	309	294	308	304
Carlsberg B	415	409.49	412	414
Codan Fors	985	970	980	990
Danisco	390	367.50	389	381
Den Danske Bk	640	589	626	617
D/S Svendbrg B	285000	284000	284500	285000
D/S 1912 B	199465	197800	198000	198000
FLS Ind B	881	869	875	870
Kob Lufthavne	693	680	683	690
Nvo Nordisk B	624	617	618	620
Sophus Ber B	901	882	883	898
Tele Danmk B	369	362	364	365
Tryg Baltica	379	359	379	369.55
Unidanmark A	361	349	358	355

Frankfurt

DAX: 3196.03 Previous: 3233.75

	High	Low	Close	Prev.
AMB B	1075	1050	1050	1080
Adidas	158.70	156	157.35	159
Allianz Hdg	3240	3165	3227	3240
Altana	1448	1412	1448	1436
Bk Berlin	32.30	32.03	32.30	32.25
BASF	62.95	62.75	62.81	63.63
Bayer Hypo Bk	49.99	49.55	49.83	50.60
Bay.Vereinsbank	62.20	61.80	61.82	62.30
Bayer	69.67	69.40	69.53	70.45
Beiersdorf	95	93.60	94.30	96.40
BMW	1150	1141	1142	1166
Commerzbank	42.55	42.25	42.50	42.85
Daimler Benz	122.85	122.10	122.60	122.95
Degussa	711	708	710.30	718
Deutsche Bank	87.05	86.50	86.80	88.18
Deut Telekom	32.35	32.22	32.26	32.30
Dresdner Bank	53.85	53.40	53.90	54.40
Fresenius	347	342	343	344.50
Fresenius Med	146.50	146	146.40	146.70
Krupp Hoesch	257	250	250	258
Gehe	115.40	109	111.10	115.10
Heidelbg Zmt	137	136	137	137.50
Henkel pfd	85.20	84.10	84.10	86.80
Hochtief	73.50	73	73.30	76.25
Hoechst	72.67	72.35	72.53	74.70
Karstadt	520	516	520	523
Linde	1083	1065	1065	1083
Lufthansa	22.95	22.65	22.75	23.10
MAN	436	431	432.60	441.50
Mannesmann	675.50	669	672.50	678
Metallgesellschaft	34	33.85	34	33.60
Metro	139.95	139.20	139.50	139.80
Munich Rueck R	4030	3990	4015	4120
Preussag	410	408	408.90	411.50
RWE	73	72.60	72.75	74.10
SAP pfd	254	251.50	253.80	257.80
Schering	142.15	141.30	141.95	142.30
Siemens	84.70	84.10	84.45	85.80
Thyssen	321.50	320	321	322
Veba	94.20	93.70	93.90	94.85
VEW	500	500	500	584
Viag	692	686	688.50	690.50
Volkswagen	804	797.50	801.50	798

Helsinki

HEX General index: 2903.18 Previous: 2860.51

	High	Low	Close	Prev.
Cultor 1	297	297	297	294
Enso A	41.50	41.10	41.50	41.50
Huhtamaki I	222	220.90	220.90	222
Kemira	57.80	57.30	57.40	57.30
Kesko	74.50	73	74.50	74
Merita A	18.40	18	18	18.30
Metra B	305	298	299	304.50
Metso-Serla B	42.40	41.50	42.20	41.70
Neste	147	140	144	140
Nokia A	314	308	312	305
Orion-Yhtymae	188	183.50	188	183
Outokumpu A	83.80	82.60	83.60	83
Rautaruukki	45.10	44.30	44.60	44.50
Sampo Insur	485	450	480	450
UPM-Kymmene	107	103.70	107	104.90
Valmet	96	95	95	95

Hong Kong

Hang Seng: 13411.33 Previous: 13106.32

	High	Low	Close	Prev.
Amoy Props	9.75	9.40	9.70	9.75
Bk East Asia	34	33	33.80	33.50
Cathay Pacific	12.10	11.80	11.95	11.80
Cheung Kong	73.25	70.50	72.25	71.50
CK Infrastruct	21.10	19.70	20.80	20.20
China Light	35.10	33.70	34.60	34
China Overs Ld	4.20	3.88	4.18	4
China Res Ent	15.75	14.70	15.70	15.05
Chis Estates	8.45	8.05	8.35	8.15
Citic Pacific	39.20	37.40	39	37.90
Cosco Pacific	9.55	9.15	9.50	9.35
Dao Heng Bk	39.40	37.30	39.40	37.40
First Pacific	11.45	10.90	11.35	11
Great Eagle	30.30	28.60	30.30	29
Guangdong Inv	6.70	6.30	6.60	6.60
Guoco Group	42.90	40.40	42.90	40.40
Hang Lung Dev	15.95	15.60	15.90	15.60
Hang Seng Bk	91.75	88	91.50	89
Henderson Inv	8.85	8.65	8.75	8.65
Henderson Ld	70.75	66.50	70.50	67.50
HKR Intl	11.80	11.40	11.80	11.25
HK China Gas	14.60	14.25	14.50	14.50
HK Electric	27	26.60	26.90	26.70
HK Shang Htls	14	13.75	13.95	13.95
HK Telecomm	13.50	12.80	13.45	13.25
Hopewell Hdgs	4.50	4.38	4.45	4.43
HSBC Hdgs	189	183	188.50	185
Hutchison Wh	58.50	56	58.25	56.75
Hysan Dev	27.30	26	27.20	26.25
Johnson El Hdg	23.10	22.80	22.95	23.20
Kerry Props	19.80	19.50	19.60	19.60
Natl Mutual	8.40	8.10	8.40	8.10
New World Dev	48.60	46.90	48.40	47.30
N World Infrastr	22.30	21.95	22.15	22
Oriental Press	2.75	2.63	2.70	2.63
Pearl Oriental	6.05	5.80	6.05	5.95
Shanghai Indus	29.50	27.60	29.50	28.25
Shangri-La Asia	10.85	9.85	10	9.85
SHK Props	91	87	90.75	88.25
Shun Tak Hdgs	5.45	5.25	5.40	5.25
Sino Land Co.	8.90	8.55	8.85	8.75
Sth China Post	7.60	7.10	7.60	7.15
Swire Pac A	67.50	64	67.25	65
Tsim Sha Tsui	23	22.85	22.90	22.20
TV Broadcasts	34	33.80	33.90	33.70
Wharf Hdgs	35.20	33.40	34.90	33.80
Wheelock	20.75	19.70	20.75	19.95

Jakarta

Composite index: 698.67 Previous: 694.86

	High	Low	Close	Prev.
Astra Intl	6425	6200	6225	6350
Bk Intl Indon	2025	1950	2000	1950
Bk Negara	1750	1700	1700	1725
Gudang Garm	11200	11000	11125	11025
Indocement	3575	3550	3575	3550
Indofood	5425	5375	5375	5350
Indosat	7050	6950	7000	7000
Sampoerna HM	14150	13700	14150	13800
Semen Gresik	7100	7075	7100	7050
Telekomunikasi	4150	4125	4150	4150

Johannesburg

All Market: 7102.57 Previous: 7107.70

	High	Low	Close	Prev.
Amalgamtd Bks	28	27	27.30	28
AngloAm Coal	311.50	311	311.50	311.50
AngloAm Corp	275	274	274.50	275
AngloAm Gold	339	338	338.50	339.75
AngloAm Ind	177.25	176	176.50	177
Barlow	51.75	51.25	51.75	51.50
C.G. Smith	26.90	25.75	26.90	26.20
De Beers	151.50	150.25	151.50	150.50
Driefontein	48.10	47.60	47.75	48.40
Fst Natl Bk	26.70	26.35	26.40	26.90
Gencor	19.70	19.25	19.35	19.70
GFSA	124	122	124	123.75
Iscor	3.58	3.54	3.55	3.54
Liberty Hdgs	343.50	342.50	343.50	343.50
Liberty Life	131	130	130.75	130.75
Minorco	102.50	101	102.50	103.50
Nampak	19.70	19.45	19.70	19.50
Nedcor	78.75	77.75	78	78.75
Rembrandt Gp	47.50	47.25	47.45	47.50
Richemont	64.75	64	64.25	64.50
Rust Platinum	75	74	75	76.50
SA Breweries	140	138.50	139	140
Samancor	55.50	55	55.50	54.75
Sasol	53	51.50	52.75	52
SBIC	184	183.50	184	185
Tiger Oats	74.50	73	74.50	73

Kuala Lumpur

Composite: 1266.22 Previous: 1258.64

	High	Low	Close	Prev.
Genting	17	16.90	16.90	17
Mal Banking	29.75	29	29.25	29
Mal Intl Ship F	6.40	6.25	6.30	6.35
Petronas Gas	9.05	8.95	9	9
Renong	5	4.86	4.90	4.98
Resorts World	12.10	11.80	11.90	12
Sime Darby	9.70	9.55	9.55	9.70
Telekom Mal	19.50	19.30	19.30	19.30
Tenaga	12.40	12	12.30	12.10
Utd Engineers	23.40	23	23.40	23

London

FT-SE 100: 4356.10 Previous: 4357.40

	High	Low	Close	Prev.
Abbey Natl	8.06	7.80	7.87	7.99
Allied Domecq	4.44	4.38	4.42	4.36
Anglian Water	6.48	5.90	5.90	6.37
Argos	7.02	6.91	6.95	6.97
Asda Group	1.16	1.13	1.14	1.16
Assoc Br Foods	5	4.95	4.97	5.02
BAA	5.36	5.27	5.31	5.27
Barclays	11.32	10.88	11.13	11.08
Bass	8.70	8.42	8.67	8.61
BAT Ind	5.52	5.25	5.43	5.50
Bank Scotland	3.66	3.61	3.64	3.64
Blue Circle	3.95	3.60	3.92	3.88
BOC Group	9.62	9.26	9.60	9.36
Boots	6.90	6.82	6.86	6.86
BPB Ind	3.47	3.43	3.44	3.46
Brit Aerosp	12.50	9.50	12.27	12.34
Brit Airways	6.40	6.16	6.33	6.17
BG Plc	1.80	1.75	1.78	1.79
Brit Land	5.36	5.25	5.32	5.30
Brit Petm	6.90	6.79	6.85	6.84
BSkyB	6.27	6.03	6.15	6.23
Brit Steel	1.45	1.42	1.44	1.42
Brit Telecom	4.42	3	4.37	4.38
BTR	2.80	2	2.42	2.42
Burmah Castrol	10.42	10.20	10.31	10.33
Burton Gp	1.56	1.54	1.55	1.54
Cable Wireless	5.73	5.06	5.12	5.10
Cadbury Schw	5	4.60	4.83	4.88
Carlton Comm	5.56	5.46	5.47	5.58
Comml Union	7.23	6.85	7.20	7.18
Compass Gp	7.24	7.12	7.20	7.14
Courtaulds	3.76	3.68	3.71	3.69
Dixons	5.20	5.12	5.15	5.19
Electrocomponents	4.13	4.08	4.10	4.15
EMI Group	12.75	12.30	12.35	12.28
Enterprise Oil	6.49	6.43	6.46	6.46
Fam Colonial	1.60	1.58	1.59	1.60
Genl Accident	8.54	8.42	8.45	8.52
GEC	3.90	3	3.80	3.75
GKN	9.58	9.08	9.32	9.13
Glaxo Wellcome	10.53	10.33	10.36	10.35
Granada Gp	9.30	8.51	9.24	9.29
Grand Met	5	4.20	4.66	4.61
GRE	2.98	2.95	2.95	2.97
Greenalls Gp	5.56	5.51	5.51	5.53
Guinness	4.60	4.20	4.54	4.44
GUS	6.82	6.60	6.75	6.60
Hanson	0.94	0.78	0.89	0.89
Hays	5.77	5.70	5.71	5.76
HSBC Hldgs	15.20	14.94	15.16	14.96
ICI	7.62	7.47	7.57	7.62
Impl Tobacco	4.60	3.60	4.23	4.29
Kingfisher	6.63	6	6.59	6.60
Ladbroke	2.40	2	2.34	2.33
Land Sec	7.85	7.77	7.81	7.79
Lasmo	2.45	2.30	2.43	2.37
Legal Genl Grp	4.12	4.01	4.10	4.02
Lloyds TSB Gp	5.45	5.04	5.18	5.32
LucasVarity	2	1.93	1.94	1.94
Marks Spencer	4.92	4.85	4.87	4.88
MEPC	4.77	4.72	4.74	4.73
Mercury Asset	13.50	13.37	13.40	13.49
National Grid	2.11	2.07	2.08	2.09
Natl Power	5	4.88	4.93	5.02
NatWest	8.18	7.98	8.14	8.05
Next	5.99	5.93	5.93	5.95
Orange	2.12	2.09	2.10	2.12
P&O	6.67	6	6.67	6.51
Pearson	7.47	7.47	7.47	7.50
Pilkington	1.40	1.31	1.32	1.32
PowerGen	6.64	6.40	6.43	6.48
Premier Farnell	5.33	5.15	5.15	5.33
Prudential	5.62	5	5.54	5.61
Railtrack PP	4.25	4.04	4.19	4.01
Rank Group	4.45	4.30	4.45	4.14
Reckitt Colm	7.80	7.40	7.79	7.61
Redland	3.60	3.45	3.46	3.49
Reed Intl	11.97	11.82	11.57	11.46
Rentokil Initial	4.78	4.71	4.73	4.74
Reuters Hldgs	6.85	6.62	6.73	6.61
Rexam	3.28	3.18	3.20	3.26
RMC Group	9.40	9.30	9.39	9.33
Rolls Royce	2.40	2.20	2.28	2.25
Royal Bk Scot	6.31	6.27	6.28	6.25
RTZ reg	9.50	9	9.26	9.11
Royal & Sun All	5.04	4.92	4.93	5.05
Safeway	3.64	3.58	3.61	3.62
Sainsbury	3.19	3.13	3.13	3.16
Schroders	17.49	17.25	17.34	17.40
Scot Newcastle	6.70	6.60	6.67	6.72
Scot Power	3.59	3.48	3.55	3.51
Securicor	3.37	3.19	3.28	3.18
Severn Trent	7	6.90	6.93	7
Shell Transp R	10.85	10.48	10.72	10.81
Siebe	9.75	9.42	9.67	9.69
Smith Nephew	1.93	1.90	1.92	1.91
SmithKline	9.73	9.28	9.43	9.41
Smiths Ind	7.85	7.78	7.81	7.83
Sthern Elec	7.50	7.42	7.43	7.48
Stagecoach	7	6.95	7	6.96
Stand Charter	8.16	8.01	8.11	8.05
Tate & Lyle	4.58	4.51	4.57	4.50
Tesco	3.60	3	3.48	3.45
Thames Water	6.78	6.70	6.74	6.70
3i Group	5.38	5.23	5.33	5.26
TI Group	5.23	5.18	5.20	5.23
Tomkins	2.88	2.85	2.87	2.86
Unilever	16.20	15.83	16.18	15.86
Utd Assurance	5.42	5.35	5.35	5.44
Utd News	6.98	6.81	6.92	6.83
Utd Utilities	6.82	6.71	6.80	6.77
Vendome Lx uts	4.98	4.88	4.98	4.95
Vodafone	2.99	2.88	2.89	2.97
Whitbread	7.93	7.81	7.84	7.89
Williams Hdgs	3.12	3.07	3.09	3.10
Wolseley	4.90	4.85	4.86	4.87
WPP Group	2.56	2.51	2.55	2.51
Zeneca	18.20	17.85	17.97	17.81

Madrid

Bolsa index: 475.28 Previous: 479.42

	High	Low	Close	Prev.
Acerinox	19810	19310	19570	19930
ACESA	1730	1710	1715	1730
Aguas Barcelon	5690	5650	5660	5720
Argentaria	5790	5740	5780	5770
BBV	8750	8640	8670	8800
Banesto	1100	1085	1095	1090
Bankinter	20400	20070	20110	20320
Bco Central Hisp	3770	3725	3770	3795
Bco Exterior	2850	2835	2835	2835
Bco Popular	26790	26400	26770	26800
Bco Santander	9860	9780	9780	9880
CEPSA	4250	4210	4215	4260
Continente	2555	2485	2505	2555
Corp Mapfre	8010	7840	7840	8000
Endesa	9040	8860	9020	9000
FECSA	1230	1205	1205	1230
Gas Natural	33490	33060	33140	33360
Iberdrola	1660	1630	1640	1665
Pryca	2680	2625	2650	2700
Repsol	5640	5590	5610	5620
Sevillana Elec	1390	1350	1350	1375
Tabacalera	6620	6320	6520	6650
Telefonica	3365	3305	3320	3365
Union Fenosa	1175	1165	1175	1180
Valenc Cement	1490	1485	1490	1495

Manila

PSE index: 3310.43 Previous: 3315.52

	High	Low	Close	Prev.
Ayala B	30	29.50	29.50	30
Ayala Land	30.50	30	30	30.50
Bk Philip Isl	189	188	189	189
C&P Homes	12.50	12.25	12.25	12.50
Manila Elec A	124	123	123	123
Metro Bank	740	730	730	740
Petron	10.75	10.25	10.75	10.25
PCIBank	395	392.50	395	395
Phil Long Dist	1575	1570	1575	1560
San Miguel B	96.50	96.50	96.50	96.50
SM Prime Hdg	7.60	7.50	7.60	7.50

Mexico

Bolsa index: 3852.92 Previous: 3875.04

	High	Low	Close	Prev.
Alfa A	45.30	44.95	45.00	45.00
Banacci B	19.22	19.00	19.18	19.00
Cemex CPO	31.65	31.35	31.45	31.55
Cifra C	12.24	12.00	12.18	12.08
Emp Modema	45.35	45.00	45.00	45.50
Gpo Carso A1	47.75	46.70	46.70	47.75
Gpo Fin Inbursa	28.40	27.95	28.00	28.70
Kimb Clark Mex	171.00	170.50	170.50	170.70
Televisa CPO	103.30	102.30	102.40	102.80
TelMex L	15.76	15.50	15.56	15.72

Milan

MIB Telematico: 12357.00 Previous: 12160.00

	High	Low	Close	Prev.
Alleanza Assic	12765	12640	12765	12740
Bca Comm Ital	3750	3610	3750	3620
Bca Fideuram	4735	4580	4735	4690
Bca Roma	1352	1311	1352	1316
Benetton	20400	19950	20300	19870
Credito Italiano	2420	2380	2400	2380
Edison	9745	9520	9675	9540
ENI	9025	8915	8985	8955
Fiat	5190	5080	5190	5120
Generali Assic	31800	31500	31800	31550
IMI	15490	14720	15400	14890
INA	2340	2290	2340	2285
Italgas	6560	6430	6560	6405
Mediaset	7240	7120	7170	7120
Mediobanca	11700	11220	11700	11275
Montedison	1254	1225	1250	1222
Olivetti	650	636	650	631
Parmalat	2400	2200	2255	2320
Pirelli	3465	3390	3465	3405
RAS	15960	15575	15960	15590
Rolo Banca	17980	17780	17980	17780
S Paolo Torino	11450	11045	11280	11008
Stet	8115	7900	8100	7865
Telecom Italia	4495	4380	4495	4345
TIM	4690	4565	4690	4600

Montreal

Industrials index: 3033.27 Previous: 3061.16

	High	Low	Close	Prev.
Bca Mob Com	42.85	42½	42.60	42¾
Cdn Tire A	25.90	25½	25.60	25.90
Cdn Util A	32.35	32.10	32.20	32.40
CT Finl Svc	31.20	31.20	31.20	31.20
Gaz Metro	16.60	16.30	16.40	16.60
Gt-West Lifeco	22.65	22.65	22.65	22.60
Imasco	38.10	37	37.20	38.20
Investors Grp	27½	27½	27½	27½
Loblaw Cos	16.80	16.60	16.80	16.70
Natl Bk Canada	16	15.80	15.85	15.95
Power Corp	29	28¾	28¾	28.90
Power Finl	27	27	27	27.20
Quebecor B	25.65	25¼	25¼	25.55
Rogers Comm B	9.70	9.60	9.70	9.65
Royal Bk Cda	55.05	54.15	54.20	55.10

Oslo

OBX index: 622.40 Previous: 620.75

	High	Low	Close	Prev.
Aker A	188	183	188	184
Bergesen Dy A	146.50	145.50	146	147
Christiania Bk	27.10	26.70	26.80	27.40
Den norske Bk	31.80	31.40	31.50	31.90
Elkem	110.50	109	111	109
Hafslund A	50	49.50	50	49
Kvaerner Asa	344	340	344	343
Norsk Hydro	381	371	381	373
Norske Skog A	213	208	212	210
Nycomed A	114	108	112	108
Orkla Asa A	574	569	571	575
Petm GeoSvc	320	308	320	309
Saga Petm A	125	121	122	125
Schibsted	138	134	134	135
Transocean Off	380	360	365	380
Storebrand Asa	42.40	41.50	42	42

Paris

CAC-40: 2575.24 Previous: 2594.76

	High	Low	Close	Prev.
Accor	776	764	775	768
AGF	200.50	196	199.20	198
Air Liquide	894	872	890	890
Alcatel Alsth	595	578	587	585
Axa-UAP	370.50	365.60	369	369.50
Bancaire	694	673	680	676
BIC	930	913	927	920
BNP	240	233.50	238.90	238
Canal Plus	1128	1111	1122	1135
Carrefour	3519	3490	3504	3530
Casino	264	245.20	264	247.80
CCF	266.70	260.30	261	266.70
Cetelem	703	690	697	694
Christian Dior	870	854	860	875
CLF-Dexia Fran	518	506	512	512
Credit Agricole	1266	1266	1266	1266
Danone	847	839	841	849
Elf-Aquitaine	556	546	554	557
Eridania BS	901	890	894	905
Eurotunnel	7.15	7	7.10	7
Gen. Eaux	778	761	765	781
Havas	449	445.50	448	452.70
Imetal	827	815	823	823
Lafarge	350	346.10	348.50	352.40
Legrand	920	907	916	916
L'Oreal	2025	1985	2006	2026
LVMH	1391	1366	1378	1397
Lyon. Eaux	567	558	562	561
Michelin B	354.50	346	350.60	350.80
Paribas A	394.80	388.60	391.30	395.90
Pernod Ricard	304.50	300	301	304
Peugeot Cit	579	560	563	562
Pinault-Print	2398	2330	2339	2409
Promodes	1659	1639	1646	1657
Renault	123.50	121	123.50	121.20
Rexel	1699	1685	1699	1700
Rh-Poulenc A	198.50	196	197.10	199.50
Sanofi	548	535	539	548
Schneider	290	285.30	286.40	293.80
SEB	1108	1078	1095	1090
SGS Thomson	396.50	386	392	399.50
Ste Generale	686	676	683	685
Sodexho	2865	2790	2854	2795
St Gobain	825	809	820	822
Suez	267.90	265.50	266.40	270.80
Synthelabo	574	566	573	572
Thomson CSF	181.90	178.60	180	182
Total B	458	451.10	455.50	458.10
Usinor	87.10	82.30	86	88.30
Valeo	377	369	375	377

São Paulo

Bovespa index: 87334.40 Previous: 87713.50

	High	Low	Close	Prev.
Bradesco Pfd	9.24	8.90	8.95	9.25
Brahma Pfd	725.00	710.00	719.98	740.00
Cemig Pfd	47.10	45.80	46.50	46.90
CESP Pfd	60.01	59.50	59.70	60.30
Copel	15.50	15.00	15.40	15.50
Eletrobras	459.00	448.00	454.00	455.00
Itaubanco Pfd	574.00	555.00	563.00	575.00
Light Servicios	431.00	415.00	420.00	415.00
Lightpar	322.00	320.00	320.00	326.00
Petrobras Pfd	221.00	213.80	216.00	220.00
Telebras Pfd	101.80	98.30	100.00	100.20
Telemig	153.00	152.00	152.00	158.00
Telerj	165.00	161.50	161.50	165.00
Telesp Pfd	285.00	278.00	282.00	283.00
Unibanco	42.090	40.99	42.00	41.01
CVRD Pfd	27.25	26.51	26.90	27.00

Seoul

Composite index: 711.13 Previous: 713.67

	High	Low	Close	Prev.
Dacom	116000	111000	112000	115000
Daewoo Heavy	5050	5000	5000	5010
Kia Motors	15900	15500	15900	15800
Korea El Pwr	28400	27700	27900	28000
Korea Exch Bk	7100	6800	6800	7000
Korea Mob Tel	541000	532000	538000	538000
LG Semicon	25800	24800	25600	24800
Pohang Iron St	43000	41800	42100	42700
Samsung Elec	58000	56200	56600	57500
Shinhan Bank	10900	10700	10800	10600

Singapore

Straits Times: 2251.98 Previous: 2246.99

	High	Low	Close	Prev.
Asia Pac Brew	N.T.	N.T.	N.T.	8.40
Cerebos Pac	10.20	10.10	10.10	10.20
City Dev	14.60	14.10	14.40	14.30
Cycle Carriage	16.50	16.10	16.30	16
Dairy Farm Int*	0.80	0.78	0.80	0.80
DBS foreign	20.60	20.20	20.30	20.60
DBS Land	5.95	5.70	5.95	5.95
Far East Leving	6.25	6.15	6.20	6.10
Fraser & Neave	13.10	12.90	12.90	13.10
HK Land*	2.94	2.80	2.94	2.84
Jard Matheson*	6	5.90	6	5.95
Jard Strategic*	3.32	3.30	3.30	3.32
Keppel	10.60	10.30	10.50	10.60
Keppel Bank	4.28	4.24	4.28	4.28
OCBC foreign	20.10	19.70	19.80	20
OS Union Bk F	11.70	11.50	11.60	11.60
Parkway Hdgs	6	5.75	5.80	5.80
Sembawang	8.15	8.05	8.15	8.15
Sing Air foreign	13.20	13	13.10	13
Sing Land	9	8.75	9	9
Sing Press F	29.30	28.20	28.90	29.50
Sing Tech Ind	3.96	3.84	3.92	3.90
Sing Telecomm	3.38	3.30	3.36	3.36
Straits Steam	5.15	5.10	5.15	5.10
Tat Lee Bank	3.70	3.68	3.70	3.68
Utd Industrial	1.30	1.26	1.30	1.29
Utd O'Sea Bk F	17.30	17.10	17.10	17.30
Wing Tai Hdgs	4.70	4.54	4.68	4.64

*: In U.S. dollars.

Stockholm

SX 16 index: 2795.69 Previous: 2819.14

	High	Low	Close	Prev.
AGA B	105	101.50	102.50	103
ABB A	920	907	907	922
AssiDoman	190	186	190	187
Astra A	357	350.50	351.50	358.50
Atlas Copco A	175.50	174.50	175	175
Autoliv	332	329.50	330.50	332
Electrolux B	450	448	449	449
Ericsson B	243	239.50	243	243
Hennes B	1010	987	1005	1016
Incentive A	531	522	522	528
Investor B	347	335	336.50	345.50
MoDo B	230	215	222.50	228
Nordbanken	275	268	271	280
Pharm/Upjohn	278.50	272.50	274	279
Sandvik B	195	192.50	193	194
Scania B	181	176	178	183
SCA B	165	160	162	164.50
S-E Banken A	83.50	79	81	80
Skandia Fors	203.50	199	202	203
Skanska B	338.50	329	332	328
SKF B	185	180	182.50	184
Sparbanken A	154	148	152.50	154
Stadshypotek A	189.50	189.50	189.50	190
Stora A	103	98.50	99	101.50
Sv Handles A	216.50	213.50	215.50	216.50
Volvo B	183.50	178	181	179

Sydney

All Ordinaries: 2476.30 Previous: 2491.80

	High	Low	Close	Prev.
Amcor	8.48	8.41	8.45	8.44
ANZ Bkng	8.56	8.35	8.37	8.56
BHP	17.70	17.50	17.60	17.68
Boral	3.63	3.56	3.59	3.64
Brambles Ind.	22	21.59	21.76	22.22
CBA	13.54	13.32	13.33	13.55
CC Amatil	11.65	11.20	11.51	11.48
Coles Myer	5.55	5.42	5.53	5.46
Comalco	6.77	6.72	6.74	6.80
CRA	18.87	18.75	18.85	18.75
CSR	4.74	4.63	4.68	4.67
Fosters Brew	2.66	2.61	2.63	2.63
Gen Prop Trust	2.49	2.47	2.49	2.49
GIO Australia	3.73	3.66	3.69	3.70
Goodman Fld	1.52	1.50	1.52	1.50
ICI Australia	12.80	12.68	12.70	12.66
John Fairfax	3.15	3.09	3.15	3.09
Lend Lease	23.50	23.28	23.35	23.48
Mayne Nickless	7.52	7.45	7.47	7.52
MIM Hdgs	1.80	1.78	1.80	1.81
Nat Aust Bank	16.99	16.64	16.64	16.95
Nat Mutual Hdg	1.90	1.87	1.89	1.92
News Corp	6.74	6.68	6.70	6.78
Normandy Min	1.75	1.68	1.68	1.74
North Ltd	4.25	4.19	4.24	4.23
Pacific Dunlop	3.16	3.10	3.12	3.15
Pioneer Intl	4	3.93	3.96	4.02
Pub Broadcast	6.78	6.70	6.71	6.78
Qantas Airways	2.48	2.38	2.46	2.42
St George Bank	8.18	8.07	8.09	8.12
Santos	4.79	4.74	4.75	4.78
Southcorp	4.56	4.48	4.52	4.51
Wesfarmers	10.45	10.30	10.40	10.45
WMC	8.26	8.17	8.23	8.25
Westfield Trust	2.49	2.47	2.47	2.48
Westpac Bkng	7.77	7.64	7.68	7.74
Woodside Pet	9.25	9.10	9.20	9.24
Woolworths	3.55	3.50	3.51	3.55

Taipei

Stock Market index: 7678.04 Previous: 7454.85

	High	Low	Close	Prev.
Cathay Life Ins	178	175	175	176
Chang Hwa Bk	172	168	169	169
Chiao Tung Bk	87.50	84.50	86	87.50
China Develpmt	106.50	102	105	103
China Steel	25.60	25.10	25.60	25.40
First Bank	180	176	176	178
Formosa Plastic	74	71.50	72.50	71.50
Hua Nan Bk	145	141	141.50	142.50
Intl Comm Bk	82.50	81	81.50	82.50
Nan Ya Plastics	68	65.50	66	66.50
Shin Kong Life	113	110	110	112
Taiwan Semi	61	59	60	60.50
Tatung	53.50	52.50	53.50	53.50
Utd Micro Elec	41	39.80	40.70	40.20
Utd World Chin	70	69	69.50	70

Tokyo

Nikkei 225: 19051.71 Previous: 18599.12

	High	Low	Close	Prev.
Ajinomoto	1090	1060	1090	1060
All Nippon Air	910	862	908	840
Asahi Bank	835	808	823	804
Asahi Chem	639	631	639	632
Asahi Glass	1120	1090	1110	1090
Bk Tokyo Mitsu	1970	1900	1960	1860
Bk Yokohama	606	598	605	599
Bridgestone	2220	2120	2150	2200
Canon	2700	2630	2650	2660
Chubu Elec	2090	2070	2070	2040
Chugoku Elec	2060	2020	2030	2020
Dai Nipp Print	2040	2000	2040	1990
Dai-Ichi Kang	1390	1280	1350	1250
Daiwa Bank	513	497	509	496
Daiwa House	1360	1320	1360	1310
Daiwa Sec	1010	970	1000	967
DDI	7680a	7470a	7610a	7390a
Denso	2560	2480	2530	2560
East Japan Ry	5060a	4970a	5060a	4980a
Eisai	2240	2250	2270	2340
Fanuc	3860	3790	3820	3800
Fuji Bank	1380	1310	1370	1280
Fuji Photo	4040	3940	3990	3900
Fujitsu	1240	1210	1240	1210
Hachijuni Bk	1070	1030	1060	1030
Hitachi	1150	1130	1130	1130
Honda Motor	3740	3670	3730	3650
IBJ	1470	1400	1430	1370
Itochu	587	575	579	570
Ito-Yokado	5500	5450	5490	5600
JAL	515	502	515	502
Japan Tobacco	8030a	7880a	8020a	7870a
Jusco	3500	3450	3490	3450
Kajima	704	674	685	656
Kansai Elec	2130	2100	2120	2110
Kao	1340	1320	1340	1330
Kawasaki Hvy	543	525	536	523
Kawa Steel	336	326	336	318
Kinki Nipp Ry	729	717	720	722
Kirin Brewery	1060	1030	1060	1030
Kobe Steel	227	219	227	217
Komatsu	928	907	922	873
Kubota	550	535	547	534
Kyocera	7270	7190	7210	7220
Kyushu Elec	2080	2050	2070	2050
LTCB	409	387	405	387
Marubeni	488	473	485	470
Marui	1970	1850	1920	1820
Matsu Elec Ind	1980	1940	1940	1960
Matsu Elec Wk	1030	1020	1030	1020
Mitsubishi	1130	1110	1120	1100
Mitsubishi Ch	356	348	348	346
Mitsubishi El	720	708	708	717
Mitsubishi Est	1450	1380	1390	1310
Mitsubishi Hvy	914	897	907	901
Mitsubishi Mot	916	908	910	907
Mitsubishi Tr	1370	1300	1360	1270
Mitsui	907	898	907	896
Mitsui Fudosn	1340	1280	1300	1240
Mitsui Trust	781	716	769	704
Murata Mfg	4340	4220	4220	4250
NEC	1460	1430	1450	1440
Nikon	1810	1700	1710	1800
Nikko Sec	743	717	730	707
Nintendo	8390	8250	8350	8210
Nipp Express	739	714	739	717
Nippon Oil	509	495	509	495
Nippon Steel	343	333	340	330
Nissan Motor	800	769	790	764
NKK	268	260	263	258
Nomura Sec	1670	1610	1670	1600
NTT	8840a	8750a	8780a	8700a
NTT Data	3240b	3200b	3200b	3200b
Oji Paper	686	670	685	674
Osaka Gas	302	295	301	291
Ricoh	1470	1430	1450	1440
Rohm	8730	8730	8730	8420
Sakura Bk	756	709	750	696
Sankyo	3540	3410	3410	3510
Sanwa Bank	1420	1330	1400	1300
Sanyo Elec	522	512	515	506
Secom	6760	6640	6710	6690
Seibu Rwy	5180	4670	5020	4680
Sekisui House	1090	1060	1070	1060
Seven-Eleven	7550	7430	7490	7490
Sharp	1600	1570	1590	1580
Shikoku El Pwr	2040	1990	2040	1980
Shin-etsu Ch	2450	2410	2430	2440
Shizuoka Bk	1050	1010	1050	1000
Softbank	11400	10900	10900	11180
Sony	8950	8810	8890	8830
Sumitomo	928	910	924	895
Sumitomo Bk	1510	1430	1480	1390
Sumit Chem	476	470	474	460
Sumitomo Elec	1720	1700	1710	1700
Sumit Metal	290	285	291	283
Sumit Trust	1080	1030	1060	1000
Taisho Pharm	2870	2820	2850	2840
Takeda Chem	2580	2490	2550	2570
TDK	8340	8250	8300	8170
Tohoku El Pwr	2050	2000	2050	2000
Tokai Bank	997	926	986	923
Tokio Marine	1190	1150	1170	1130
Tokyo El Pwr	2200	2170	2180	2150
Tokyo Electron	4280	4160	4190	4080
Tokyo Gas	316	310	315	308
Tokyu Corp.	567	547	567	544
Tonen	1280	1220	1280	1220
Toppan Print	1430	1410	1430	1410
Toray Ind	732	723	732	718
Toshiba	750	741	742	738
Tostem	2700	2650	2660	2670
Toyo Trust	815	788	803	768
Toyota Motor	3370	3310	3340	3290
Yamanouchi	2550	2480	2500	2530

a: x 100; b: x 1,000

Toronto

TSE Industrials: 6232.28 Previous: 6348.84

	High	Low	Close	Prev.
Abitibi Price	23.40	23.10	23.10	23.45
Alberta Energy	30.35	29.90	29.90	30.10
Alcan Alum	49.30	48.40	49	48.45
Anderson Expl	16.60	15.20	16.40	15.80
Bk Montreal	49.90	48.60	48.60	49.90
Bk Nova Scotia	52.40	51.40	51.40	52.30
Barrick Gold	36.90	35⅝	36½	35.60
BCE	70.85	70.10	70.10	71.05
BC Telecomm	31¼	30.80	30.85	31
Biochem Pharm	75	75	75	79½
Bombardier B	26.70	26.35	26.65	26.20
Brascan A	31.95	31¾	31¾	31.70
Bre-x Minerals	23.10	21.90	22.80	21½
Cameco	51.70	51⅛	51.40	51.70
CIBC	65½	64.65	64.70	65½
Cdn Natl Rail	52⅛	51.85	51.85	52⅛
Cdn Nat Res	32⅝	31⅝	31.60	32.65
Cdn Occid Pet	24¼	23.90	23.90	24.15
Cdn Pacific	35⅝	35.45	35½	35½
Cominco	40	39	39⅝	39.35
Dofasco	24.60	24.35	24.45	24.30
Domtar	12¼	12.10	12.10	12.15
Donohue A	26.60	26.15	26½	26.10
Du Pont Cda A	32½	32¼	32½	32.45
Edper Group	23⅝	23.20	23.60	23⅝
EuroNev Mng	40.65	39.45	40.40	39.60
Fairfax Finl	300	298	298½	299
Falconbridge	32¼	31¾	31.95	31.45
Fletcher Chall A	22.85	22.45	22.65	22.55
Franco Nevada	62½	60.15	61.85	60.30
Gulf Cda Res	10.85	10.65	10⅝	10.80
Imperial Oil	63.90	62½	62½	63.80
Inco	48.60	47.80	48.40	48.20
IPL Energy	41.15	40.90	41.05	41
Laidlaw B	18½	18.20	18.45	18¼
Loewen Group	49.40	47.80	48⅜	49.10
Macmill Bldl	18.85	18.55	18.85	18¾
Magna Intl A	72¼	71.30	72¼	71¾
Methanex	13.95	13.45	13½	13.95
Moore	30.35	29.80	29.95	30.20
Newbridge Net	46.35	44.60	44.90	46
Noranda Inc	33⅛	33	33	33⅛
Norcen Energy	30½	30¼	30¼	30.40
Nthern Telecom	103	101¼	101½	103½
Nova	13	12.85	12.90	12.90
Onex	25.05	24½	24½	25
Pancdn Petlm	60	58	58	56.80
Petro Cda	20.60	20	20.40	20.40
Placer Dome	30	28.65	29.80	29.10
Poco Petlm	13½	13¼	13¼	13.65
Potash Sask	109	107	108	109
Renaissance	42.70	42¼	42.45	42.60
Rio Algom	33.10	32½	32.85	33.20
Rogers Cantel B	25.80	25¼	25.60	25⅝
Seagram Co	55.65	55.15	55¼	55⅝
Shell Cda A	58.05	57.60	58	57.55
Stone Consold	23½	23¼	23½	23½
Suncor	59.90	59¼	59¼	59.80
Talisman Eny	45¾	44.80	44.80	45.80
Teck B	33½	31.80	33¼	32.10
Teleglobe	40¾	40.60	40¼	40¾
Telus	21.35	21.15	21.15	21.35
Thomson	28.55	28.20	28.55	28.30
TorDom Bank	39.65	38.60	38.65	39.70
Transalta	17.15	16.95	17.15	17.05
TransCda Pipe	25¾	25.45	25.55	25.70
Trimark Finl	44.20	43½	44.05	43.35
Trizec Hahn	31.40	29.80	31	31½
TVX Gold	11¾	11.05	11½	11¼
Westcoast Eny	25.05	24.90	25.05	24.90
Weston	76	74.85	75½	74.85

Vienna

ATX index: 1213.10 Previous: 1213.75

	High	Low	Close	Prev.
BBAG	705	697	704	705
Boehler-Uddeh	855	847	848.90	846
Brau-Un Goess	669	659	669	669
Creditanst Pfd	424.10	417.30	423.50	417.30
EA-Generali	3450	3395	3405	3420
EVN	1748	1733.60	1745	1746
Flughafen Wien	574	561	569.50	569
Mayr-Melnhof	601	590	596	603
OMV	1400.30	1390	1395	1400
Oest Elektriz	866	855.10	865	861.20
Radex-Hera	414	411.50	413.90	412.50
VA Stahl	475	452	472.55	465
VA Tech	1771	1751	1766	1771
Wienerberg Bau	2154	2125	2150	2155
Wolford	1438	1410	1415	1430

Wellington

NZSE-40 index: 2325.85 Previous: 2329.35

	High	Low	Close	Prev.
Air N Zeald B	3.95	3.89	3.92	3.93
Brierly Invt	1.36	1.35	1.36	1.37
Carter Holt ord	3.30	3.27	3.29	3.29
Fletch Ch Bldg	4.53	4.49	4.52	4.49
Fletch Ch Eny	4.01	3.97	4.00	3.99
Fletch Ch Forst	2.20	2.18	2.18	2.19
Fletch Ch Paper	2.92	2.88	2.92	2.89
Lion Nathan	3.60	3.58	3.59	3.63
Telecom NZ	6.87	6.84	6.85	6.87
Wilson Horton	11.25	11.20	11.20	11.25

Zurich

SPI index: 2875.19 Previous: 2870.95

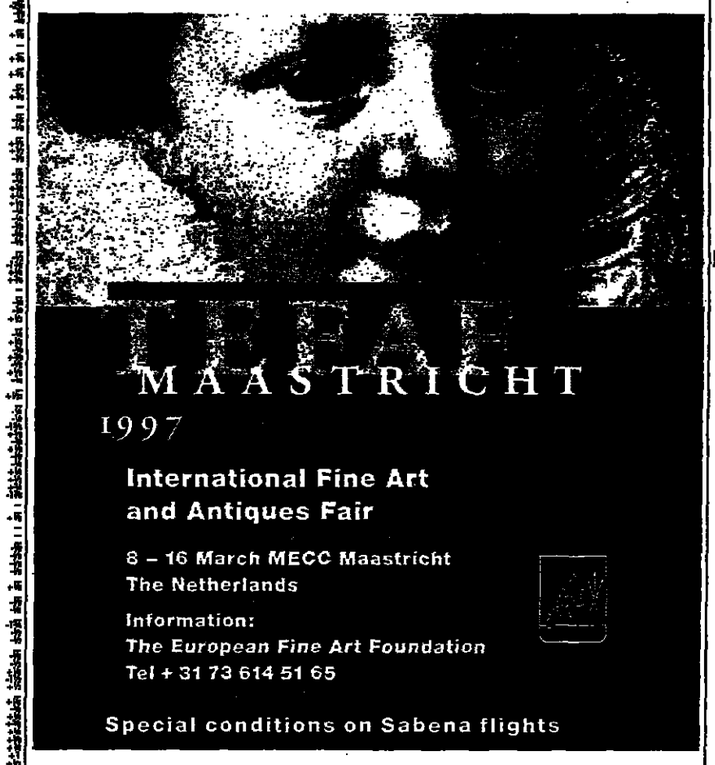
	High	Low	Close	Prev.
ABB B	1825	1795	1811	1822
Adecco B	454.50	422	454.50	425
Alusuisse R	1199	1186	1193	1195
Ares-Serono B	1525	1480	1505	1495
Alel R	865	845	865	860
Baloise Hdg R	2910	2880	2885	2900
BK Vision	843	834	843	844
Clariant R	738	713	718	716
Crd Suisse Gp R	154.75	152	154.75	152.75
Elektrowatt B	540	538	539	541
Ems-Chemie	5795	5700	5775	5770
ESEC Hdg	4890	4700	4840	4750
Holderbank B	1110	1092	1105	1103
Nestle R	1645	1617	1626	1640
Novartis R	1804	1775	1791	1777
Pargesa Hld B	1509	1500	1500	1503
PharmaVisn B	752	739	747	755
Richemont A	2120	2100	2100	2135
Roche Hdg PC	12850	12660	12800	12785
SBC R	278.50	275	278	278.50
SGS B	3340	3230	3340	3260
SMH B	955	943	950	960
Sulzer R	976	950	964	975
Swiss Reins R	1508	1493	1504	1504
Swissair R	1308	1300	1300	1309
UBS B	1303	1280	1296	1297
Winterthur R	904	890	895	899
Zurich Assur R	431.50	426.50	428.50	432

NYSE

Thursday's 4 P.M. Close

Nationwide prices not reflecting late trades elsewhere.

The Associated Press.



Continued on Page 19

Japanese Firms Hope to Land Orbiting Business

Bloomberg News

KAMAKURA, Japan — At Mitsubishi Electric Corp.'s Kamakura Works satellite plant outside Tokyo, sapphire-colored solar panels and a golden, weblike antenna glisten on an antiseptic factory floor.

"We've got state-of-the-art facilities but have only landed one major order every three years," said Kiyotoshi Furuya, manager of commercial space programs at the Kamakura Works plant.

Mitsubishi Electric, the high-tech arm of the powerful Mitsubishi group, has supplied satellite parts for almost 30 years. Yet it has not sold an entire satellite system to a single company, only to the Japanese government.

"They're not on the radar at this point," said Joseph Campbell, an aerospace analyst at Lehman Brothers Inc. in New York.

That compares to Hughes Electronics Co., the unit of the U.S.-based General Motors Corp. that churns out an average of one satellite per month.

Hughes, which has annual sales of $14.86 billion, currently commands almost half the global market for commercial satellites, which is valued at $5 billion.

Mitsubishi, NEC Corp. and Toshiba Corp., Japan's biggest electronics companies, plan to vie with Hughes, Lockheed Martin Corp., Loral Space & Communications, Aerospatiale of France and the French-British venture Matra Marconi Space in the lucrative commercial satellite market.

To do that, they must slash production costs, shrink output times and hone technology.

Don't count them out, analysts say. "One never dismisses the large, well-managed multinational," said Howard Rubel, who is an aerospace analyst at Goldman, Sachs & Co. in New York.

But Japanese companies must slash production costs, shrink output times and hone technology to be competitive.

Mitsubishi wants to enter the business by the year 2000, said Naoki Hashimoto, a director in Mitsubishi's electronic products and systems group.

Analysts expect several billion dollars of orders for satellites over the next decade with the debut of space-based telecommunications services like mobile phones and links to personal computers.

A project that is currently backed by Microsoft Corp., for example, plans to use more than 800 small, lightweight, low-orbit satellites to connect computer users to the Internet.

These space birds will beam down data for auto navigation systems, digital television programming, cellular phone service and airborne links to personal computers early in the next millennium.

Technological advances allow many satellites to fly much closer to Earth than the standard flight path, normally at an altitude of 22,000 miles (35,000 kilometers), allowing clearer transmission.

The expected surge in demand for the low-orbit satellites comes on top of projected annual growth of 10 percent to 20 percent for the broadcast and meteorological business in the crowded "geostationary" orbit, where most satellites orbit.

Mitsubishi Electric has served as the prime contractor for more than half of the non-commercial satellite projects sponsored by Japan's space agency.

For the year ending in March, Mitsubishi expects 60 billion yen ($482 billion), or 2 percent of its annual sales of 2.76 trillion yen, to come from sales of satellite components and ground systems.

Within five years, Mitsubishi wants to double sales and profits. That would bring its ratio of sales to profits in line with the 10 percent level that is enjoyed by U.S. manufacturers.

The company has cut costs, shrunk and standardized equipment and increased economies of scale.

From 1993 to 1995, it halved the cost and production time for its 10 best-selling satellite components.

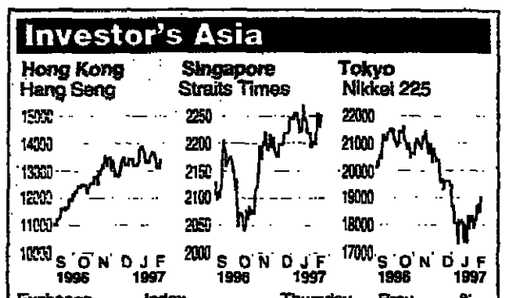
NEC, one of the world's largest producers of computer chips, is breaking even in its satellite business with annual sales of 30 billion yen, and the company aims for a profit within the next decade.

Now, the company that built Japan's first domestically made satellite, which was launched in 1970, is making efforts to reduce costs.

NEC is incorporating more off-the-shelf parts such as high-grade semiconductors and eliminating redundancy in subsystems like heat control and power supply.

"We have the technology; it's just a matter of cutting costs," said Takenori Yanase, a vice president of space systems at NEC.

Investor's Asia



Exchange	Index	Thursday Close	Prev. Close	% Change
Hong Kong	Hang Seng	13,411.33	13,106.32	+2.33
Singapore	Straits Times	2,251.98	2,246.99	+0.22
Sydney	All Ordinaries	2,476.30	2,491.00	-0.59
Tokyo	Nikkei 225	18,051.71	18,599.12	+2.43
Kuala Lumpur	Composite	1,266.22	1,258.64	+0.60
Bangkok	SET	747.70	731.74	+2.18
Seoul	Composite Index	711.13	713.67	-0.36
Taipei	Stock Market Index	7,678.04	7,656.85	+0.28
Manila	PSE	3,310.43	3,315.52	-0.15
Jakarta	Composite Index	698.67	694.88	+0.55
Wellington	NZSE-40	2,325.85	2,329.35	-0.15
Bombay	Sensitive Index	3,494.40	3,520.50	-0.74

Source: Telekurs International Herald Tribune

Tokyo Set to Bolster Real-Estate Market?

Shares Rise on Signal of State Role

Bloomberg News

TOKYO — The Japanese government said Thursday it might buy real estate to help banks rid themselves of trillions of yen in bad loans, a move that sent bank, construction and real-estate stocks soaring.

Tadashi Ogawa, the vice minister of finance, said the government could buy property that banks are holding as collateral and have been unable to sell during a six-year property slump. Mr. Ogawa did not say how the project would be financed.

The news sent Japanese stocks to a six-week high, led by banking and property shares.

But analysts were skeptical that the government could find enough money to turn the real-estate market around, especially since the government has its own debt problems.

"It's unrealistic to be optimistic about the government buying a large chunk of property using public money because it faces the problem of cutting public spending," said Toshihiko Okino, analyst at Schroders Japan. "It's a clear contradiction."

The government has racked up about 520 trillion yen ($4.18 trillion) in fiscal deficits, including local-government debt, and it is expected to add another 33 trillion yen in debt by March 1998.

For their part, Japan's banks hold as much as 50 trillion yen in bad debt related to property holdings, according to analysts' estimates. The banks, analysts said, are unwilling to revalue the bad debt on their books because they are hoping the market will recover.

Until they revalue the debt, however, they will not be able to lend money to buyers, keeping demand weak and depressing prices.

Real-estate stocks on the Tokyo Stock Exchange rose as much as 5.67 percent on the news, while bank stocks rose 5.29 percent and construction stocks gained 3.28 percent.

Those sectors drove the benchmark Nikkei 225 Stock Index higher, to 19,051.7, up 2.4 percent, or 452.6 points.

"The measures may give a temporary psychological boost to investors, but I don't think they will be effective in reversing Japan's real-estate slump," said Akiyoshi Inoue, president of Sanyu System Real Estate Financing, a consultancy.

"What the government has to do is stimulate property demand by offering tax incentives, such as reducing taxes levied on land ownership, sales and purchases," he said.

During the past few years, real-estate stocks have risen on speculation the government would lower land-transaction and capital-gains taxes to stimulate demand.

The taxes were imposed in the 1990s to limit demand during a speculative bubble that had resulted in Japan's total real estate being valued at four times the worth of the total real estate in the United States.

Moody's Raps 3 Korea Banks

Compiled by Our Staff From Dispatches

SEOUL — The credit ratings of three leading South Korean banks were lowered on Thursday by Moody's Investors Service Inc., reflecting the banks' exposure to the collapse of Hanbo Steel & Construction Co.

About $6.3 billion of debt securities sold by Korea First Bank, Korea Exchange Bank and Cho Hung Bank are affected.

"All have substantial exposures to the Hanbo Group," Moody's said, adding that Korea Development Bank was also a major lender to Hanbo, but that its solvency was guaranteed by the government.

Hanbo Steel, the country's No. 2 steelmaker and the flagship of the Hanbo Group, filed for court protection from creditors after piling up 5 trillion won ($5.72 billion) in debt, about 20 times its net worth.

The opposition has accused the government of pressing banks to lend to Hanbo. Ten persons were indicted Wednesday in connection with the affair, including two former presidents of Korea First Bank — Rhee Chul Soo and Seen Kwang Shik — and Woo Chan Mok, the head of Cho Hung Bank.

Moody's lowered Korea First's long-term debt and deposit ratings to Baa-2 from Baa and also cut its financial strength rating. A bond with a Baa rating lacks outstanding investment characteristics and is considered speculative.

The U.S. rating agency lowered long-term debt and deposit ratings of Korea Exchange Bank and Cho Hung Bank from A-3 to Baa-1.

But Joseph Lau, a portfolio manager at Jardine Fleming Investment, said, "A lot of the bad news has already been discounted."

Meanwhile, a senior prosecutor in Seoul, Choi Byung Koog, said that Kim Hyun Chul, a son of president Kim Young Sam, had been called in for questioning Friday over his libel complaint against six opposition politicians who accused him of peddling influence in connection with the loans. Kim Hyun Chul has said he had nothing to do with the loans.

(Bloomberg, AFP, Reuters)

Very briefly:

• **Nissan Motor Co.** plans to increase capital investment by 38 percent in the business year beginning in April, to about 110 billion yen ($886 million). The company intends to draw savings from cost-cutting and the weakening yen and invest more heavily in development of new models.

• **Qantas Airways Ltd.**, Australia's national carrier, said its first-half net profit rose 2.4 percent from a year earlier, to 151.6 million Australian dollars ($116.0 million) as cost cuts offset a slowdown in revenue growth. Sales rose 2.5 percent, to 4 billion dollars. The airline plans "modest fleet expansion and continued cost cuts and efficiency improvements."

• **The Philippines'** current-account deficit jumped 75 percent last year, to $3.47 billion. The government said the rise in imports was not a serious problem because imports have included many capital goods, such as heavy machinery, that will help the economy grow.

• **Toyota Motor Corp.** said vehicle exports rose 71 percent in January from a year ago, to 132,191 units. Nissan said its January vehicle exports rose 12 percent, to 53,123.

• **Jiangling Motors Corp.**, the Chinese carmaker of which **Ford Motor Co.** owns 20 percent, saw its B-shares rise 5 percent, to 3.48 Hong Kong dollars (45 U.S. cents) on news that Ford will raise its stake. *AFP, AP, Bloomberg, Reuters*

'Super Dry' Lifts Profit At Asahi

Compiled by Our Staff From Dispatches

TOKYO — Asahi Breweries Ltd. said Thursday that its pretax profit rose 18 percent last year, led by record sales of its flagship brand, Asahi Super Dry, which has been Japan's No. 1 beer since June.

Asahi said its profit increased to 25.7 billion yen ($206.6 million) in 1996 as sales rose 7 percent, to 931.2 billion yen.

A rival, Kirin Brewery Co., said its pretax profit fell 24.2 percent, to 67.43 billion yen, on sluggish sales of its prime brands.

Asahi said earlier this month that it had surpassed Kirin as Japan's top beer seller by volume for the first time in 44 years.

"Asahi will hang on to its No. 1 position," said Ayako Sugaya, a beverage analyst at the brokerage Dresdner Kleinwort Benson. "At least until Kirin comes up with a product that can compete with Super Dry." *(Bloomberg, Reuters)*

Too Late to Change Fixed-Rate System, Thai Minister Says

Compiled by Our Staff From Dispatches

BANGKOK — Thailand's commerce minister, Narongchai Akrasanee, said Thursday that the economy had grown too fragile to risk changing it.

Before becoming commerce minister late last year, Mr. Narongchai had said that slower economic growth was caused primarily by the fixed exchange-rate system which pegs the baht to a basket of currencies including the dollar, yen and Deutsche mark.

But on Thursday, Mr. Narongchai said the opportunity for changing the system had passed.

"At the moment, when we're on the way down in terms of the value of the our currency and face international speculators, flexibility would do more harm than good," Mr. Narongchai said.

The statement echoed that of the Bank of Thailand, which earlier this week ruled out a baht devaluation and helped calm jittery currency investors.

But Mr. Narongchai ran afoul of the central bank Thursday by asserting that foreign reserves had fallen by $1.5 billion in December while the Bank of Thailand fought to defend the baht.

A senior central bank official denied that, saying that reserves had declined just $900 million.

In the face of currency fears and vanishing investor confidence, Mr. Narongchai said the government was shifting its priorities away from the policies that have kept growth levels at 8 to 9 percent over the last decade to favor financial market stability over growth. He said that he expected the economy to grow between 6 and 7 percent in 1997. *(AP, AFP)*

Philippines to 'Graduate' From IMF Program

Bloomberg News

MANILA — The Philippines and the International Monetary Fund agreed Thursday on a program that will allow the country to end three decades of IMF supervision of its economic policies in June.

The program, which aims for slower inflation and a fourth year of budget surpluses, would build on a set of policies that have increased the country's economic growth rate to 5.5 percent in 1996, the swiftest expansion since 1989.

The IMF negotiating team, while praising the government's management of the economy, said other challenges needed to be met if the country were to match its Asian neighbors' history of rapid expansion. In particular, the IMF called for the passage of a bill that will simplify the tax code and increase government revenue.

With the current IMF program, its 23rd since 1962, the Philippines has access to as much as $650 million in emergency credits. The country has had little use for the credits, and has drawn just $50 million from the IMF facility. Rising foreign investment and overseas bond sales have helped raise the central bank's foreign-currency reserves to a record $12 billion.

Analysts said that graduation from the IMF's conditional lending program may add momentum to the Philippines' efforts to have its credit ratings upgraded.

Under the program agreed upon Thursday, Manila promised to limit growth of M-3 — the broadest measure of money supply — to 21.5 percent this year. Base money supply growth, which refers mainly to cash in circulation, was capped at 16.2 percent.

Meeting the money-supply targets will ensure that inflation slows to between 6 percent and 7 percent this year, from 8.4 percent in 1996.

John Hicklin, assistant director of the IMF's Asia-Pacific department, said the Philippines, besides improving tax collections, must also take steps to improve agricultural productivity and watch the burgeoning trade deficit.

Roberto de Ocampo, the Philippine finance secretary, said legislators had promised the passage of tax reforms, including those that will reduce the top tax rate to 30 percent from 35 percent to encourage payment, by May 1.

Overhauling the tax code is "critical in helping to provide a solid revenue base for the government, allowing it to meet the country's large infrastructure and social needs," the IMF said.

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To unitholders of Super Asia Infrastructure Fund (the Fund)

Due to the low level of assets in the Fund, it has been decided by mutual agreement between the Manager and Citibank (Luxembourg) S.A., having its registered office at 58, boulevard Grande-Duchesse Charlotte, Luxembourg to liquidate the Fund.

As a result of such agreement and pursuant to a decision of the Board of Directors of the Manager dated February 6, 1997, the calculation of the Net Asset Value of the units and their issue and redemption have been suspended accordingly.

Luxembourg, February 6, 1997

By order of the Board of Directors

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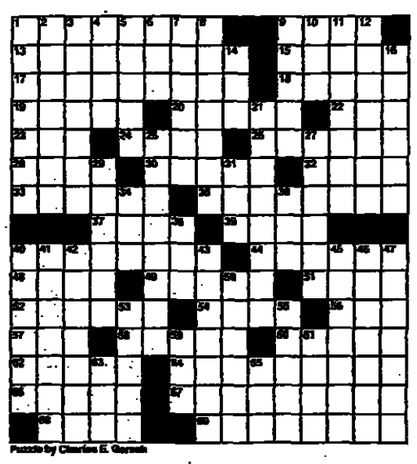
28 Bus stations?
29 100 kurus
30 Racket
32 Sammy Davis's "—— Can"
33 Picturesque
35 How some shall *remain*
37 Waxed
39 Polynesian pendant
40 "Little Claus and Big Claus" writer
44 Babbitt's home town
46 Rod's companion
48 Loin steak
51 Welland Canal outlet
52 Sun Bowl site
54 Carnival attraction
56 Pac.'s counterpart
57 Barcelona bear
58 Best rate
60 Hardly scintillating
62 Schlemiel
64 1942 Jimmy Dorsey hit
66 "West Side Story" role
67 Harbor, as thoughts
68 Command to Spot
69 It could be several years

DOWN
1 "The Food of the Gods" novelist
2 Language spoken by Jesus
3 *Do* the tally again
4 Prom partner
5 One of the Dutch Masters
6 Immigrant's course: Abbr.
7 Shed
8 *Ointment* ingredient
9 Three-time Oscar-winning director
10 Thunderstruck reaction
11 Nobody doesn't like her
12 Like some wonders
14 The Mormons, initially
16 Master's requirement, *usually*
21 Used Schedule A
25 Forebear
27 Cub reporter's dream
29 Jessica's longtime portrayer
31 Served on a jury
34 Clothing tag abbr.
36 —— out a living
38 The Internet, familiarly
40 Anatomical ring
41 1950's TV family
42 Plant
43 1066 battlers
45 Farsi speaker
48 Capt. E. J. Smith's command, with "the"
47 Greek
50 This means nothing in Napoli
53 Floral arrangement
55 Man who's all thumbs?
59 Mineral suffix
61 "Vissi d'—"
63 J.F.K. info
65 Col.'s superior



Puzzle by Charles E. Gerwin

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Solution to Puzzle of Feb. 20

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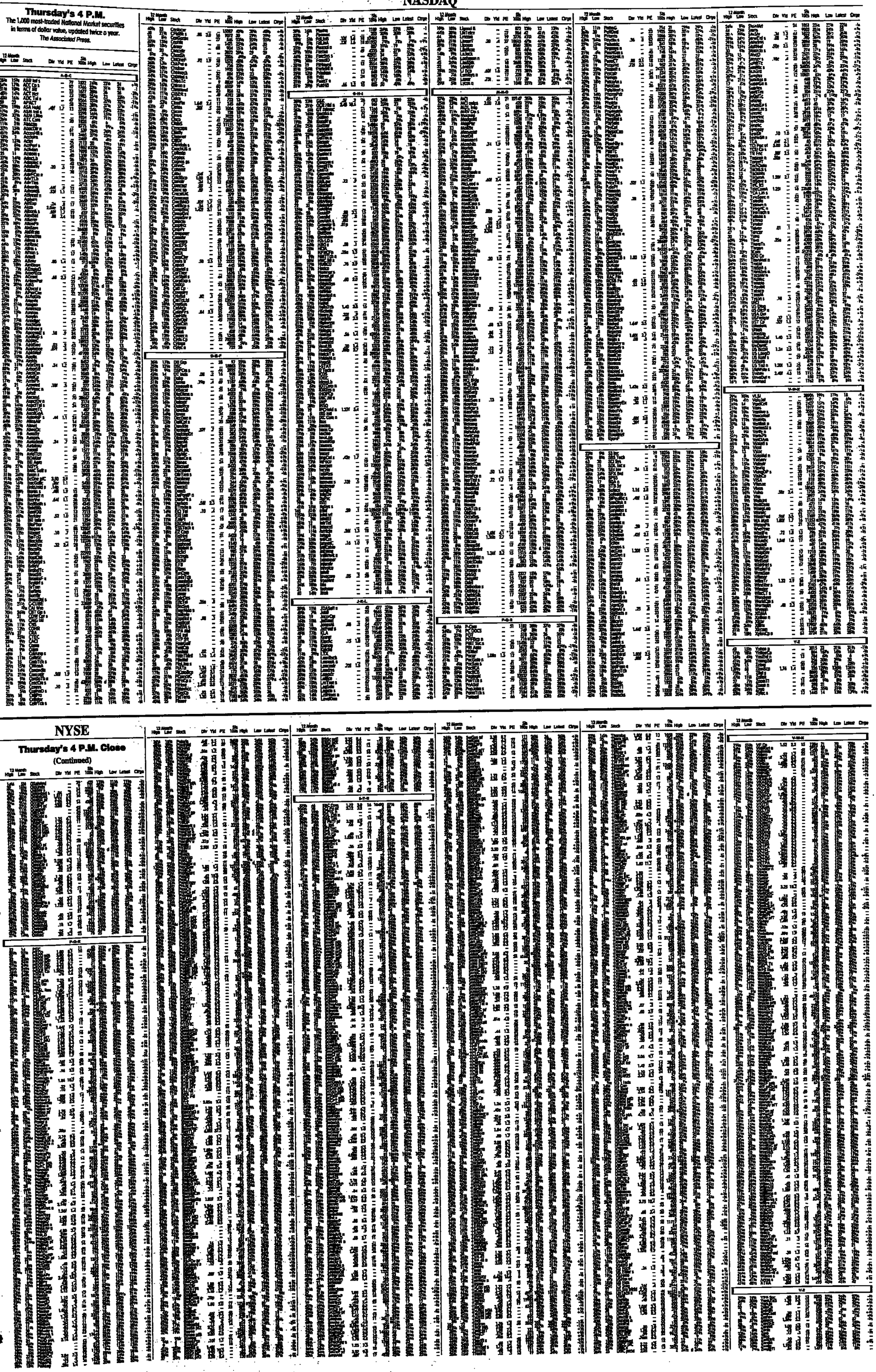
NASDAQ

Thursday's 4 P.M.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.



NYSE

Thursday's 4 P.M. Close

(Continued)

Herald International Tribune
SPORTS

WORLD ROUNDUP

England Wins

CRICKET A partnership of 170 between Alec Stewart and Graham Thorpe carried England to a four-wicket victory over New Zealand Thursday in a one-day international in Christchurch. England spinner Phil Tufnell had taken four for 22 as New Zealand made 222 for six wickets in its innings. *(Reuters)*

Senna Trial Adjourned

FORMULA ONE The trial of Frank Williams, the head of the Williams team, and five others accused of manslaughter over the death of the driver Ayrton Senna opened on Thursday and was then adjourned until Feb. 28 when the presiding judge will rule on defense requests to limit evidence. *(Reuters)*

Damm Knocks Out Rios

TENNIS Marcelo Rios of Chile, hampered by a leg injury, lost 4-6 7-5 7-6 on Thursday to Martin Damm of the Czech Republic in the second round of the European Community championship in Antwerp. *(Reuters)*

• Gustavo Kuerten of Brazil beat Andre Agassi, 6-2, 6-4, in the St. Jude Classic in Memphis. Agassi reinjured his left ankle in the second set and will be out 1-2 weeks. *(AP)*

• Opel, a subsidiary of General Motors, said Thursday it had signed a three-year sponsorship deal with Switzerland's 16-year-old Australian Open champion, Martina Hingis. Last month Hingis signed a $10 million contract to promote the Italian sportswear label Sergio Tacchini. Opel did not reveal the sum involved. The company ended its sponsorship of Steffi Graf in October after 10 years. *(Reuters)*

'Flasher' Is Fired

SOCCER The Dutch second division team Eindhoven fired Patrick Deckers for dropping his shorts and "flashing" the crowd after he was shown the red card and booed by fans in a match on Monday.

"Showing ones' genitals in public is forbidden by law and is seen as disturbing public order," the club said on Thursday. *(Reuters)*

Denis Doyle/The Associated Press

Fernando Hierro, center, of Real Madrid leaping against De Quintela, left, and Gonzalez of Rayo Vallecano.

Leading Belgian Club Says It Paid Blackmail

Reuters

Belgian police are investigating match fixing allegations surrounding the 1984 UEFA Cup semifinal between Anderlecht and England's Nottingham Forest.

The investigation was begun after the Belgian club told the police it was being blackmailed by a man who claimed to have acted as an intermediary to fix the second leg match, which the Belgian side won, 3-0, after losing the first leg, 2-0.

Michel Verschueren, the Anderlecht manager, confirmed that police had been

WORLD SOCCER

asked to investigate the alleged blackmail attempt. He denied the central allegation that the club used an intermediary to try to "buy" the game.

A Belgium television station said a former official of the club had paid about 20 million francs ($572,000) to a blackmailer, who claimed to have a taped recording backing up his claims.

Verschueren said a blackmail attempt had been successful but declined to say how much had been paid. He said the tape was a forgery, made up of an amalgam of recordings, edited to give a false impression about a conversation said to have taken place about the 1984 game.

BRAZIL Cruzeiro played two matches in one night on Wednesday as it battled its way through a crowded schedule.

Cruzeiro fielded a team of reserves, which tied, 4-4, against Vila Nova in the Minas Gerais championship, a Brazilian regional competition.

Less than a half-hour later, its regular first team played its opening match in the Libertadores Cup South American's top club competition — at home to fellow Brazilians Gremio. However, for that game the team only had five players on the bench instead of the permitted seven and lost a violent game, 2-1.

SPAIN Spanish league leader Real Madrid lost its unbeaten league record after losing 1-0 to Rayo Vallecano, the poorest and smallest of Madrid's three first-division clubs.

Rayo, which fired manager Paquito Garcia earlier in the week, scored through midfielder Ezequiel Castillo in the 35th minute.

It was Real's first defeat in 25 league games this season.

"The refereeing was scandalous," said Lorenzo Sanz, the Real chairman.

Sanz also made vague threats withdraw his team from the Spanish federation if a booking on defender Fernando Hierro from last Saturday's game with Betis is not overruled.

ENGLAND Andy Cole, starting for the first time this season, reaffirmed his return to form by scoring one goal and creating another as Manchester United beat one of his former clubs, Arsenal, 2-1, to stay top of the English premier league on Wednesday night.

Cole, who has struggled with injury and poor form, put the champions ahead after 18 minutes. He set up Norway's Ole Gunnar Solskjaer for United's second 14 minutes later and although Dutch striker Dennis Bergkamp scored for Arsenal after the break the Londoners could not find an equalizer.

United's victory kept it a point clear of Liverpool which spoilt Ian Rush's return to Anfield by beating Leeds, 4-0.

Rush, who scored 229 league goals for Liverpool before being released by the club last summer, started as a substitute but came on with 17 minutes remaining to a thunderous reception.

Robbie Fowler put Liverpool ahead with a close range effort after 21 minutes, and Stan Collymore scored twice in two minutes to wrap up the points before halftime.

3 Pro Teams Balk at Logistics in Asian Bike Race

By Samuel Abt
International Herald Tribune

KUCHING, Malaysia — There's trouble in paradise. The second stage of Le Tour de Langkawi, Asia's richest bicycle race, was officially canceled Thursday because the three major professional teams refused to participate. Then a shortened version of the stage was held, unofficially.

That meant the daily stage did not count in overall standings. And that technicality allowed the three teams to continue to take part Friday in the 12-stage race — if they decided to do so. Late Thursday night, that was uncertain.

If the second stage had been official, the three teams would have been eliminated from further competition, depriving the race of its stars.

The teams — Mapei and MG from Italy and Casino from France — were protesting extraordinarily long delays in getting the riders, their luggage and their bicycles on and off planes since they arrived in Malaysia this week. They had a point: Baggage to the riders was not delivered until 1 A.M. Thursday, about three hours after they would ordinarily have been asleep.

Most of them were still awake, not only because they were awaiting their bags but also because they had arrived in Kuching, the vibrant capital of Sarawak, about 10 P.M. What was a two-hour flight from Sabah took one group of riders five hours, including a three-hour wait at a military airfield for their DC-10 to get aloft.

They were lucky. The second group of riders had a six-hour wait at the field.

The problem seemed to focus on cargo handlers, who are not available in large enough numbers at such provincial airports as those in Sabah and Sarawak, let alone military airfields.

Discontent with logistical delays began Monday in Kuala Lumpur, the capital, when the field of 150 riders and their managers, masseurs and mechanics spent seven hours in the airport, waiting for all their baggage to pass through security checks, for tickets to be issued one by one and for their charter flight to be loaded.

When they arrived in Sabah, the riders first had to attend a ceremonial dinner welcoming them.

Mutters were heard from members of the Mapei and MG entourage, who had started their red-eye flight from Europe more than 24 hours earlier.

Skipping the unofficial stage, the three professional teams left Sarawak about noon Thursday, theoretically arriving back on the mainland in midafternoon and in good time for rest and a training ride. The remaining 22 teams, mainly amateurs, competed in a circuit race of Kuching that was halved to six laps of 8.8 kilometers (5 miles) each. The prize money was reduced by only 10 percent, a generous gesture by the organizers.

Frank McCormack of the Saturn team from the United States was the easy winner of the race in a sprint, with Glen Mitchell of New Zealand second and Mariano Friedick, another American with Saturn, third.

Norm Alvis, the leader of the Saturn team, explained why his professional team decided to take part.

"It beats staying in the hotel," he said. "We sort of owe it to the race, too. Even with everything that has gone on, I'm reserving judgment on whether I'd come back. This race has a lot of potential."

Speaking for the amateurs, Eric Wohlberg, the race leader from Canada, said: "I'm sick — air conditioning, no air conditioning, the waits. But I came here to race and that's what I'm going to keep doing, race."

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SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Miami	40	12	.769	—
New York	38	14	.731	2
Orlando	25	25	.500	14
Washington	24	28	.462	16
New Jersey	15	36	.294	24½
Philadelphia	12	39	.235	27½
Boston	11	41	.212	29

CENTRAL DIVISION

Chicago	46	6	.885	—
Detroit	38	13	.745	7½
Atlanta	34	17	.667	11½
Charlotte	32	21	.604	14½
Cleveland	29	22	.569	16½
Indiana	24	27	.471	21½
Milwaukee	24	27	.471	21½
Toronto	18	34	.346	28

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
Utah	37	14	.725	—
Houston	34	18	.654	3½
Minnesota	26	27	.491	12
Dallas	17	32	.347	19
Denver	17	36	.321	21
San Antonio	12	39	.235	25
Vancouver	11	45	.196	28½

PACIFIC DIVISION

L.A. Lakers	37	15	.712	—
Seattle	36	15	.706	½
Portland	28	25	.528	9½
Sacramento	24	29	.453	13½
L.A. Clippers	21	27	.438	14
Golden State	20	30	.400	16
Phoenix	19	35	.352	19

WEDNESDAY'S RESULTS

Phoenix	25	37	31	22—115
Charlotte	27	41	18	37—123

P: Johnson 7-13 10-10 25, Person 8-13 0-0 20; C: Rice 11-24 8-10 36, Mason 9-16 1-3 19, Divac 8-14 2-5 19. Rebounds—Phoenix 42 (Bryant 6), Charlotte 40 (Divac 11). Assists—Phoenix 29 (Johnson 14), Charlotte 34 (Mason, Bogues 8).

Indiana	26	17	16	28— 87
Atlanta	33	22	21	24—100

I: Miller 5-17 6-7 19, A.Davis 5-9 7-12 17; A: Blaylock 7-13 1-2 19, Mutombo 5-10 7-12 17. Rebounds—Indiana 52 (A.Davis, D.Davis 10), Atlanta 49 (Mutombo 10). Assists—Indiana 19 (Best, Askew 4), Atlanta 20 (Laettner, Blaylock 5).

Washington	25	13	26	27— 85
Detroit	26	28	29	17—100

W: Howard 12-19 1-1 25, Murray 6-14 1-1 15; D: Hunter 8-14 5-6 25, Hill 10-16 4-6 24. Rebounds—Washington 49 (Howard 10), Detroit 46 (Mills 9). Assists—Washington 26 (Strickland 14), Detroit 18 (Hill, Dumars 7).

Portland	17	22	26	19—84
Orlando	27	21	25	22—95

P: Wallace 7-12 5-6 20, K.Anderson 6-17 0-1 13; O: Hardaway 9-17 0-0 21, Grant 10-13 0-0 20. Rebounds—Portland 55 (Wallace, Dudley 10), Orlando 43 (Grant 10). Assists—Portland 18 (Robinson, Rider, K.Anderson 4), Orlando 28 (Hardaway 8).

Toronto	28	33	37	27—125
San Antonio	28	25	30	17— 92

T: Stoudamire 8-9 1-2 21, Williams 4-14 7-10 19; S.A.: Wilkins 5-16 6-10 17, Hetzera 7-15 3-4 17. Rebounds—Toronto 63 (Jones 11), San Antonio 46 (Perdue 10). Assists—Toronto 30 (Stoudamire 9), San Antonio 19 (Johnson 5).

Minnesota	21	17	30	16— 84
Vancouver	17	23	7	26— 73

M: Garnett 11-15 3-4 25, Garnett 10-19 0-0 20, Gugliotta 8-17 4-5 20; V: Abdur-Rahim 9-21 8-12 26, Reeves 6-13 2-2 14. Rebounds—Minnesota 49 (Garnett, Gugliotta 10), Vancouver 50 (Rogers 10). Assists—Minnesota 28 (Marbury 13), Vancouver 18 (Anthony 6).

Cleveland	13	34	19	37—103
L.A. Lakers	20	25	24	15— 84

C: Brandon 7-18 1-1 30, Hill 9-12 6-7 24; L.A.: Campbell 6-14 11-15 23, Jones 6-14 6-6 21. Rebounds—Cleveland 45 (Hill 12), Los Angeles 34 (Knight 9). Assists—Cleveland 19 (Sura 6), Los Angeles 17 (Van Exel 7).

Boston	26	26	23	24—101
Golden State	30	28	25	29—112

B: Day 9-14 4-5 27, Williams 6-13 7-10 19; G.S.: Sprewell 16-25 6-8 41, Mullin 6-10 6-6 19. Rebounds—Boston 49 (Walker 12), Golden State 45 (Mullin 10). Assists—Boston 27 (Hawkins 8), Golden State 35 (Mullin 12).

Euroleague

SECOND PRELIMINARY ROUND

GROUP G

Panathinaikos (Greece) 75, Pau Orthez (France) 71
Ljubljana (Slovenia) 80, Dynamo Moscow (Russia) 72
Villeurbanne (France) 83, Sevilla (Spain) 81

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
Philadelphia	33	16	9	75	190	143
New Jersey	29	17	11	69	153	134
Florida	28	16	13	69	165	137
N.Y. Rangers	28	24	9	65	201	167
Washington	23	29	6	52	151	166
N.Y. Islanders	19	29	10	48	156	171
Tampa Bay	20	29	7	47	153	177

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Buffalo	30	19	10	70	170	148
Pittsburgh	31	22	5	67	213	186
Montreal	22	28	11	55	190	215
Hartford	22	28	8	52	163	188
Ottawa	20	26	12	52	164	170
Boston	20	31	7	47	166	204

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Dallas	34	22	4	72	179	150
Detroit	28	19	11	67	184	138
St. Louis	28	26	6	62	182	185
Phoenix	27	28	4	58	169	180
Chicago	23	28	8	54	154	155
Toronto	22	36	2	46	175	215

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	36	14	8	80	198	135
Edmonton	29	25	6	64	189	174
Calgary	24	29	7	55	169	174
Vancouver	26	29	2	54	185	197
Anaheim	23	29	6	52	166	177
San Jose	21	31	6	48	151	192
Los Angeles	19	33	8	46	156	205

WEDNESDAY'S RESULTS

N.Y. Rangers	0	1	0	0—1
New Jersey	1	0	0	0—1

First Period: N.J.-Thomas 8 (Odelein, Guerin) Second Period: N.Y.-Graves 21 (Leetch, Messier) Third Period: None. Overtime: None. Shots on goal: N.Y.- 13-4-6-0—23. N.J.- 9-12-9-2—32. Goalies: N.Y.-Richter. N.J.-Brodeur.

Hartford	1	1	0	0—2
Philadelphia	0	2	0	0—2

First Period: H-Dineen 14 (Cassels, Leschyshyn) (pp). Second Period: P-LeClair 36 (Brind'Amour, Therien) (pp). 3, P-Svoboda 1 (Druce, Desjardins) 4, H-Dineen 15 (Cassels, Rosheim) Third Period: None. Overtime: None. Penalties—None. Shots on goal: H- 9-9-6-2—26. P- 5-11-9-0—25. Goalies: H-Muzzatti. P-Snow.

Calgary	0	0	0	0—0
Detroit	1	2	1	0—4

First Period: D-Sandstrom 12 (Yzerman) Second Period: D-McCarthy 14 (Yzerman, Larionov) (pp). 3, D-Sandstrom 13 (Kozlov, Yzerman) Third Period: D-Lidstrom 10 (Kozlov, Rouse) Shots on goal: C- 12-7-9—28. D- 15-13-10—38. Goalies: C-Kidd. D-Osgood.

Toronto	1	1	3	0—5
Edmonton	3	3	0	0—6

First Period: E-Marchant 12 (Weight, Lowe) 2, E-Czerkawski 16 (Arnott, Norton) 3, E-Czerkawski 17 (McAmmond, McGillis) 4, T-Clark 19 (Gilmour) Second Period: E-Czerkawski 18 (Marchant) 6, E-Grier 7 (Mironov, Weight) 7, E-McAmmond 11 (Czerkawski) 8, T-Murphy 6 (Berezin, Gilmour) (pp). Third Period: T-Berezin 19 (Sundin, Ebell) (pp). 10, T-Nedved 3 (Gilmour) 11, T-Clark 20 (Murphy, Gilmour) (pp). Shots on goal: T- 7-13-16—36. E- 12-10-7—29. Goalies: T-Potvin. Cousineau. E-Joseph.

SOCCER

SPANISH FIRST DIVISION

Real Betis 1, Celta Vigo 1
Tenerife 2, Valencia 1
Oviedo 0, Extremadura 0
Racing Santander 2, Valladolid 0
Zaragoza 5, Sporting Gijon 0
Rayo Vallecano 1, Real Madrid 0
Atletico Madrid 2, Logrones 0
Hercules 1, Deportivo Coruna 3
Espanyol 0, Athletic Bilbao 2

STANDINGS: 1, Real Madrid 56 points; 2, Barcelona 50; 3, Real Betis 47; 4, Deportivo Coruna 44; 5, Atletico Madrid 43; 6, Real Sociedad 41; 7, Athletic Bilbao 39; 8, Racing Santander 37; 9, Valladolid 37; 10, Tenerife 36; 11, Valencia 33; 12, Celta Vigo 30; 13, Oviedo 29; 14, Compostela 28; 15, Rayo Vallecano 27; 16, Espanyol 26; 17, Sporting Gijon 26; 18, Zaragoza 25; 19, Logrones 22; 20, Sevilla 21; 21, Extremadura 20; 22, Hercules 19.

GERMAN CUP

QUARTERFINALS

Karlsruhe SC 1, Bayern Munich 0

ENGLISH PREMIER LEAGUE

Arsenal 1, Manchester United 2
Aston Villa 2, Coventry 1
Derby 3, Sheffield Wednesday 2
Liverpool 4, Leeds 0
West Ham vs. Newcastle, ppd.

STANDINGS: 1, Manchester United 53 points; 2, Liverpool 52; 3, Arsenal 48; 4, Newcastle 45; 5, Aston Villa 42; 6, Chelsea 41; 7, Wimbledon 39; 8, Sheffield Wednesday 36; 9, Tottenham 32; 10, Everton 31; 11, Leeds 30; 12, Derby 29, 13, Sunderland 29; 14, Blackburn 27; 15, Leicester 27, 16, Coventry 27; 17, Nottingham Forest 23; 18, West Ham 22; 19, Southampton 20; 20, Middlesbrough 19.
Note: Middlesbrough deducted 3 points

INTERNATIONAL FRIENDLIES

Greece 0, Portugal 0
Guatemala 1, Mexico 1
Costa Rica 5, Venezuela 2

CRICKET

ONE-DAY INTERNATIONAL

ENGLAND VS. NEW ZEALAND
THURSDAY, IN CHRISTCHURCH

New Zealand Innings: 222-6
England Innings: 226-6
Result: England won by 4 wickets

TRANSITIONS

BASEBALL

MAJOR LEAGUE BASEBALL

AMERICAN LEAGUE

ANAHEIM—Signed RHP Geoff Edsell, RHP Pete Janicki, RHP Fausto Macey, LHP Matt Perisho, C Bret Hemphill, and INF Chris Pritchett to 1-year contracts.

BOSTON—Signed OF Adam Hyzdu, OF Roy Padilla, LHP Rafael Orellano and LHP Ron Mahay to 1-year contracts.

CLEVELAND—Signed RHP Travis Driskill, RHP Mike Gordon, LHP Mike Matthews, RHP Teddy Warrecker, LHP Casey Whitten, INF Damian Jackson, INF Richie Sexson and OF Bruce Aven to 1-year contracts.

TEXAS—Agreed to terms with 2B Edwin Diaz on 1-year contract.

NATIONAL LEAGUE

ATLANTA—Agreed to terms with INF Mike Mordecai on 1-year contract.

CHICAGO—Agreed to terms with INF Rey Sanchez on 1-year contract.

CINCINNATI—Signed INF Aaron Boone to 1-year contract.

NEW YORK—Agreed to terms with RHP Mike Welch on 1-year contract.

PHILADELPHIA—Agreed to terms with RHP Mike Grace, INF Scott Rolen and OF Wendell Magee Jr. on 1-year contracts.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

NBA—Fined Toronto coach Darrell Walker $7,500 for verbally abusing referees and failing to leave court in timely manner following his ejection from Feb. 17 game at Indiana.

CHARLOTTE—Put G Anthony Goldwire on injured list. Activated F Scott Burrell from injured list.

LOS ANGELES CLIPPERS—Put C Stanley Roberts and F Robert Horry on injured list. Activated C Kevin Duckworth from injured list.

PORTLAND—Activated C Arvydas Sabonis from injured list. Released G Ruben Nembhard.

TORONTO—Named Brendan Suhr assistant coach.

WASHINGTON—Put G Tim Legler on the injured list.

FOOTBALL

NATIONAL FOOTBALL LEAGUE

ARIZONA—Agreed to terms DT Bernard Wilson on 2-year contract. Exercised their option on LB Terry Irving for 1997 season. Declined to exercise their option on G Duval Love.

DENVER—Acquired OT Tony Jones from the Baltimore Ravens for 1997 2nd-round draft pick.

GREEN BAY—Signed S Brad Edwards.

HOUSTON—Agreed to terms with T Brad Hopkins on multiyear contract.

JACKSONVILLE—Signed QB Steve Taneyhill. Assigned Taneyhill, DE Jose White and WR Kendricke Bullard to World League.

MIAMI—Signed G John Elmore, QB Spence Fischer, DE Larry Jackson, FB Les McClinton and T Mike Sheldon. Waived DT Steve Emtman.

NEW ORLEANS—Released LB Rufus Porter and QB Tommy Hodson.

N.Y. GIANTS—Waived P Mike Horan and S Jesse Campbell. Agreed to terms with DT Keith Hamilton and P Scott Player.

N.Y. JETS—Announced retirement of LB Kyle Clifton.

PHILADELPHIA—Declined to exercise their option on QB Rodney Peete. Tendered exclusive rights offers to DT Michael Samson, WR Freddie Solomon, DT Hollis Thomas, OL Manfa Umutau, RB Derrick Witherspoon and DE-LB Sylvester Wright. Tendered qualifying offers to DT Ronnie Dixon, S James Fuller, RB Charlie Garner and OL Joe Panos.

OAKLAND—Signed QB Jeff George to 5-year contract. Also signed CB Terry McDaniel. Released DT Jerry Ball, P Jeff Gossett, S Lorenzo Lynch and FB Derrick Fenner. Announced retirement of OT Charles McRae.

SAN DIEGO—Signed CB Dwayne Harper to 4-year contract. Terminated contract of C Courtney Hall and failed to tender exclusive rights offers to LB Glen Young, LB Arnold Ale and TE Maurice Harrell.

SAN FRANCISCO—Waived C Jesse Sapolu and FB Tommy Vardell. Agreed to terms with OL Kevin Gogan on 5-year contract. Named Pat Morris tight ends coach.

SEATTLE—Agreed to terms with CB Willie Williams.

TAMPA BAY—Re-signed T Paul Gruber to 3-year contract.

WASHINGTON—Signed QB Mark Hartsell, FB Jim Kitts, DB Gregory Evans, TE Steve Brooks, DT Mike Foley and WR Toderick Malone, and assigned them to World League.

HOCKEY

NATIONAL HOCKEY LEAGUE

NHL—Fined San Jose $7,500 and Vancouver $2,500 as result of multiplayer altercations in Jan. 27 game. Fined Hartford F Kelly Chase $1,000 for public remarks criticizing official following loss in Montreal on Feb. 8.

DETROIT—Signed G Norm Maracle to 3-year contract.

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SPORTS

Second Sex Scandal Shakes Ice Hockey

The Associated Press

TORONTO — Over many years, the boys came to Maple Leaf Gardens hoping for a glimpse of their favorite hockey player, perhaps even get an autograph.

What they got, say two psychologically scarred men who came forward this week and prompted perhaps dozens of others to call the police, was sexual abuse from those who provided access to their sports heroes.

While Leafs' fans watched the game, the men say, they were lying naked on blankets somewhere in the building, performing sexual acts for the gratification of Gardens' employees.

"The phone's been ringing off the wall," Dave Tredrea, a detective, said Wednesday after Gordon Stuckless, 47, a former Gardens employee, appeared in court on charges of committing an indecent assault and gross indecency.

"It has been dozens and dozens, literally," the detective said of the calls. "Each one of these people will have to be interviewed, and we'll see what evidence they can bring forward."

Stuckless, once a backstage helper for concerts and hockey games, is in custody until a bail hearing next week.

His accuser, Martin Kruze, 34, says he and other hockey fans were lured as boys to the Gardens with promises of free tickets, hockey sticks and autographs.

It is the second major scandal to hit Canada's national pastime this year. In January, a junior league coach, Graham James, was sentenced to 3½ years in prison. The Boston Bruins' wing Sheldon Kennedy went public with a story about years of abuse by James, his former Western Hockey League coach.

Kruze said abuse at the Gardens started in 1975 when he was 13 and continued until 1982. At least three Gardens' workers were involved, he said. The abuse included orgies in back rooms, sometimes during games.

The ringleader, Kruze said, was a former equipment handler, George Hannah, who died 13 years ago. A third man is still employed as an usher, he said.

"No victims have come forward yet in regards to that person," Tredrea said.

Gerry McNamara, the Leafs' general manager from 1981 until 1988, said he spent many hours in the Gardens during the time of the alleged assaults but had no idea they were happening.

"It's horrible, horrible," McNamara said. "It just goes to show you that stuff can be going on right underneath your nose and you'd never know about it."

Hannah was a diabetic and had other health problems that led to a foot amputation, McNamara said.

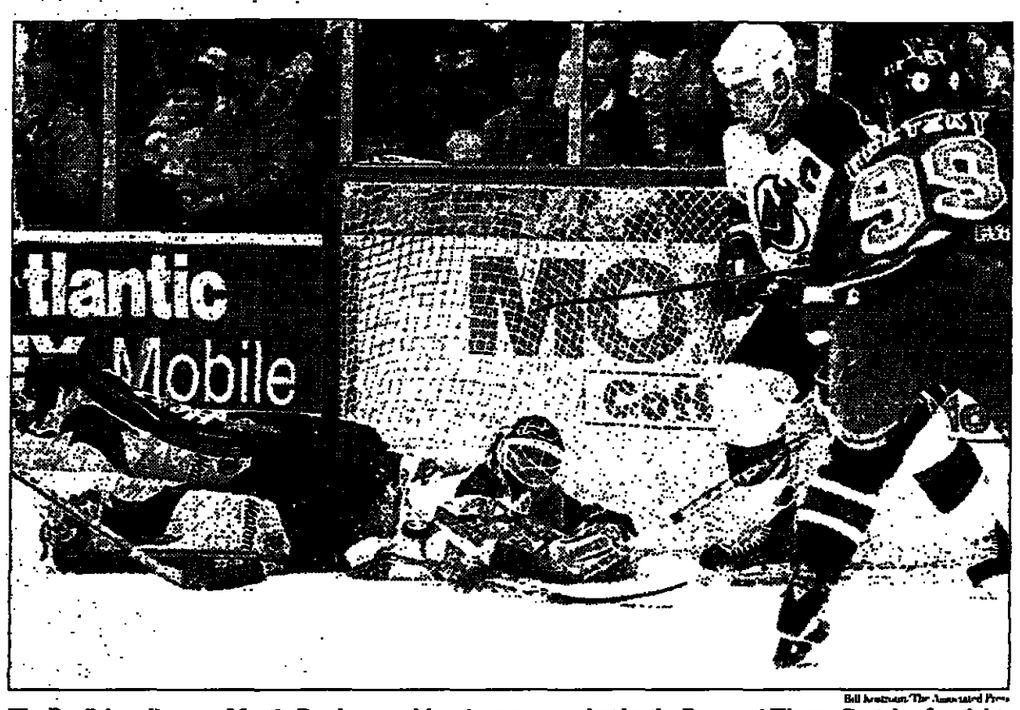
Counseling gave Kruze the strength to finally come forward. Kennedy's admissions might have helped. And Kruze's willingness to go public appears to have spurred other potential victims to contact the police.

One man who spoke on condition of anonymity told the Toronto Star that Hannah forced him to take part in sexual acts "about 50 times" over two years when he was in his early teens.

He said he wonders if the Gardens' management knew about the assaults.

In the case of Stuckless and Hannah, The Maple Leaf Gardens and Maple Leafs hockey club were aware of Kruze's allegations when he sued the Gardens in 1993. They hired a private detective who, according to the arena's president, Cliff Fletcher, was unable to substantiate Kruze's story.

Still, they settled out of court for about $60,000, with the stipulation that Kruze not go public. He was also paid $17,000 by the Criminal Injuries Compensation Board in February 1995.



Bill Kostroun/The Associated Press

The Devils' goalkeeper, Martin Brodeur, making the save on a shot by the Rangers' Wayne Gretzky, far right.

Osgood Dazzles on Big Night for Goalies

The Associated Press

Chris Osgood stopped all 28 shots he faced — some with dazzling saves — for his fifth shutout of the season as the Red Wings blanked the Calgary Flames, 4-0, on a night when goalkeepers starred throughout the National Hockey League.

But goalkeepers don't always welcome attention, according to Osgood.

"You get more attention when you play bad than when you play good and win," said Osgood. "It gets tiresome sometimes."

NHL Roundup

Tomas Sandstrom scored two goals as Detroit snapped Calgary's six-game unbeaten streak. Osgood's 13th career shutout gave him a 4-1 record in his last five starts after going 1-3-1 in the previous five games.

"I just wasn't getting the breaks," Osgood said. "It's just a part of growing up and coming of age."

Sandstrom has scored four goals — three in his last two games — since the Red Wings obtained him in a trade Jan. 27 with Pittsburgh.

Playing in his 1,000th regular-season game, Steve Yzerman assisted on Detroit's first three goals, including both of Sandstrom's.

Jason Muzzatti of Hartford stopped 23 of 25 shots in the Whalers' impressive 2-2 tie on the road against the Philadelphia Flyers, one of the top scoring teams in the NHL.

And Mike Richter made three great saves late in the game as the New York Rangers posted their second straight tie with the New Jersey Devils, 1-1.

Whalers 2, Flyers 2 Kevin Dineen scored both of Hartford's goals. But it was Muzzatti's sparkling goaltending that let the Whalers snap a three-game losing streak on the road.

"He made some good saves, no question," Hartford's coach, Paul Maurice, said. "That's what we need against a team like that, with big shooters."

Muzzatti was especially strong in the third period, when the Flyers failed to score on three power plays.

Rangers 1, Devils 1 In East Rutherford, New Jersey, Richter stopped 31 shots as New York remained unbeaten in four games against New Jersey this season.

"He really rises to the occasion against us," said the Devils' captain, Scott Stevens, who was stopped by Richter with nine seconds left in overtime.

In four games, Richter has faced 159 shots by New Jersey and allowed four goals. Steve Thomas got the only one Wednesday for the Devils — his second in as many games.

Martin Brodeur made 22 saves for the Devils to stretch his personal unbeaten streak to 13 games.

Oilers 6, Leafs 5 In Edmonton, Mariusz Czerkawski had three goals and an assist as the Oilers took a 6-1 lead before Toronto's third-period rally.

It was Edmonton's first victory in four games.

Japanese Seek New Field of Dreams in U.S.

The Associated Press

The sounds of baseballs hitting leather can be heard in Florida and Arizona. Another sound being heard, one decidedly less familiar, is that of the Japanese language.

For years, American baseball players have been going to Japan. Now, a growing number of Japanese are in the United States, trying to find a lucrative baseball career. That's mainly thanks to Hideo Nomo, the 1995 National League Rookie of the Year, currently in the second year of a three-year, $4.4 million contract with the Los Angeles Dodgers.

Until this year, the only Japanese to play in the U.S. major leagues were pitchers: Nomo, Matsanori Murakami, a relief pitcher for the San Francisco Giants in 1964-65, and Makoto Suzuki, up briefly with Seattle last year. He is expected to pitch for a Mariners' Triple-A club this season.

Of the 12 Japanese signed by major-league clubs this season, most are pitchers. While they might not be able to say curve or fast ball — "Good morning" is the extent of Kohichi Taniguchi's English in the New York Mets' camp — they certainly can throw those pitches.

"He knows what he's doing and knows how to pitch," Terry Collins, manager of the Anaheim Angels, said after getting his first look at right-hander Shigetoshi Hasegawa. "You can tell he came here ready and determined to make an impact right away."

Hasegawa, 29, was granted free agency by the Orix Blue Wave before he became eligible to play in the United States. Anaheim outbid Seattle and Oakland for the pitcher, giving $1 million to Orix and $350,000 to Hasegawa.

A problem facing Japanese wanting to play in the United States is free agency and the question of whether a Japanese team can trade a player's rights exclusively to a U.S. major league club.

Players with more than six years of service in the U.S. major leagues are eligible for free agency. In Japan, it's 10 years. Also, the Major League Players Association wants any club to be able to sign a Japanese player.

Probably the most sought-after Japanese player is a right-handed pitcher, Hideki Irabu. His team, Chiba Lotte, assigned his rights to the San Diego Padres, but the New York Yankees also want to sign him.

Tar Heels Cut Down Wake Forest As ACC Title Race Grows Tighter

The Associated Press

North Carolina moved within 2½ games of first place in the Atlantic Coast Conference with a 74-60 victory over No. 4 Wake Forest.

"We're on a roll right now," said Antawn Jamison, who had 12 points and 10 rebounds for the 12th ranked Tar Heels (18-6, 8-5) who moved into a fourth-place tie with Clemson. They are now one game behind Maryland and Wake Forest (20-4, 9-4), who are tied for second behind Duke.

College Basketball

The Demon Deacons lost consecutive games for the first time since the middle of the 1994-95 season and lost on the road for the first time this season.

Vince Carter scored 21 of his career-high 26 points in the first half for the Tar Heels, who led 38-18 at halftime.

"It was just amazing to me," he said. "That hasn't happened to me since I had a big game like that in high school. It was like, 'Wow, that's what it felt like.'"

Tim Duncan, Wake Forest's All-America center, finished with 20 points and 17 rebounds. The Demon Deacons trailed by 24 points and closed within seven with a furious 23-6 rally.

"They made it interesting," Smith said. "You knew they would."

No. 2 Minnesota 60, Ohio St. 48 Bobby Jackson scored 15 points to lead the Golden Gophers (23-2, 12-1 Big Ten) to their eighth straight victory and 18th in 19 games. Minnesota extended its lead to 3½ games over Purdue with five games. Damon Stringer scored 21 points for the visiting Buckeyes (10-12, 5-8).

No. 3 Kentucky 75, Alabama 61 Ron Mercer scored 23 points, including two 3-pointers down the stretch, as the visiting Wildcats (25-3, 11-2 Southeastern Conference) won despite shooting just 38 percent. Brian Williams had 18 for the Crimson Tide (14-12, 4-9).

Texas 57, No. 7 Iowa St. 56 Dennis Jordan tipped in a rebound with 3.3 seconds left to give the Longhorns (15-8, 9-4 Big 12) victory over the visiting Cyclones. Kenny Pratt's layup with 11 seconds to play had put Iowa State (18-5, 9-4) 56-55 ahead before Jordan scored off Al Coleman's miss.

No. 14 Maryland 76, Georgia Tech 68 Keith Booth scored 11 of his 26 points over the final 10 minutes as the Terrapins (20-6, 9-4 ACC) beat the Yellow Jackets (9-14, 3-10) in Atlanta for only the second time since 1981.

No. 17 UCLA 82, Southern California 80 Toby Bailey scored 24 points and the Bruins (16-7, 11-3) retained first place in the Pac-10. David Crouse led the visiting Trojans (14-9, 10-4) with 18 points.

For Magic Coach in Debut, Victory Is Bittersweet

The Associated Press

The Orlando Magic gave Richie Adubato a triumph in his first game as their interim coach, beating the Portland Trail Blazers, 95-84. But it wasn't a completely happy night for Adubato because he got the job after his friend Brian Hill was fired.

Adubato, who coached Hill in high school and was an assistant under him for 3½ seasons in Orlando, said: "I'm really happy that the players came out and gave me the effort. But still, it's a tough situation."

Hill was dismissed Tuesday after his players complained about the way he handled the team, which was off to a 24-25 start. Magic fans showed their displeasure Wednesday with the firing by booing starters Penny Hardaway, Horace Grant, Dennis Scott and Nick Anderson during pregame introductions.

"That's all right. We still love the fans," Scott said. "Thanks for booing us, because it motivated us even more."

Hardaway scored 7 of his 21 points in the last three minutes for Orlando, which put the game away with a 13-2 surge after their center, Rony Seikaly, was ejected for arguing.

NBA Roundup

Hawks 100, Pacers 87 Dikembe Mutombo had 17 points, 10 rebounds and four blocks as Atlanta won for the 21st time in its last 22 home games.

Hornets 123, Suns 115 In Charlotte, Glen Rice scored 36 points, and the Hornets tied a club record with 14 3-pointers as they won for the 14th time in 19 games. Rice was 11 of 24 from the field, including six of eight from 3-point range. Kevin Johnson had 25 points and 14 assists for the Suns.

Pistons 100, Bullets 85 Lindsey Hunter scored 25 points and Grant Hill 24 as Detroit won its fourth straight. Juwan Howard scored 25 points for visiting Washington, which is 2-3 since Bernie Bickerstaff replaced Jim Lynam as coach.

Raptors 125, Spurs 92 At San Antonio, Damon Stoudamaire scored 21 points, and Toronto made a team-record 15 3-pointers to hand the Spurs their worst loss of the season. The Raptors made 15 of 25 from 3-point range, including 7 of 10 in the third quarter. Dominique Wilkins and Carl Herrera each scored 17 points for the Spurs, who dressed only eight players.

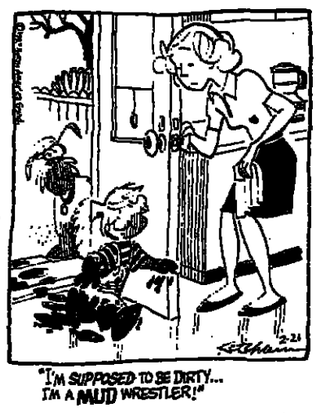
Timberwolves 84, Grizzlies 73 Dean Garrett, a 30-year-old rookie, scored a career-high 25 points, and Minnesota matched a franchise record with its ninth road victory of the season. Garrett, who joined the Timberwolves last summer after playing six seasons in Italy, finished 11-for-15 from the field and also grabbed 10 rebounds

Cavaliers 103, Lakers 84 Terrell Brandon scored 19 of his 30 points in the fourth quarter, and Tyrone Hill had a season-high 24 points and 12 rebounds as Cleveland beat the short-handed Lakers in Los Angeles.

Elden Campbell had 23 points and eight rebounds for the Lakers, who played without injured starters Shaquille O'Neal and Robert Horry.

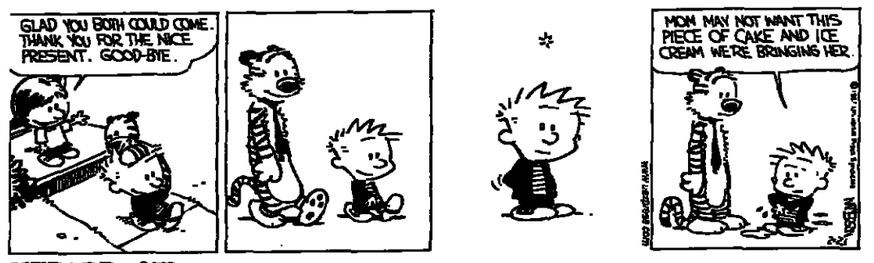
Warriors 112, Celtics 101 At San Jose, Latrell Sprewell scored 41 points, and Chris Mullin had a triple-double as Golden State handed Boston its eighth straight loss. Mullin, who has been the subject of trade rumors, had 19 points, 10 rebounds and 12 assists. He also tied Nate Thurmond's club record by playing in his 757th regular-season game for Golden State. Todd Day led the Celtics with 27 points.

DENNIS THE MENACE



PEANUTS

CALVIN AND HOBBES



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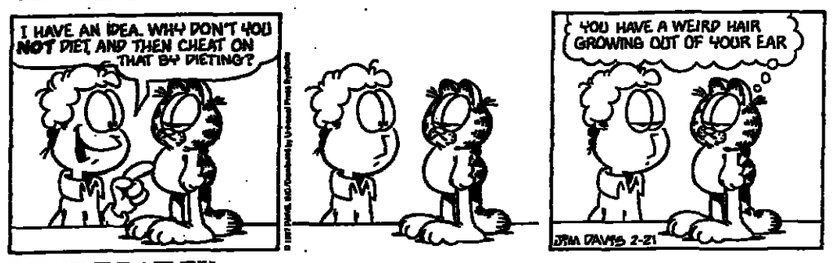

WIZARD of ID

JUMBLE.

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

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OPYPP

RAPTYN

PRUMAK

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: "____-_" (Answers tomorrow)

Yesterday's Jumbles: HELLO SHEEP BEATEN CLOVEN
Answer: You might call a beauty pageant dance this — A BELLE HOP

BEETLE BAILEY

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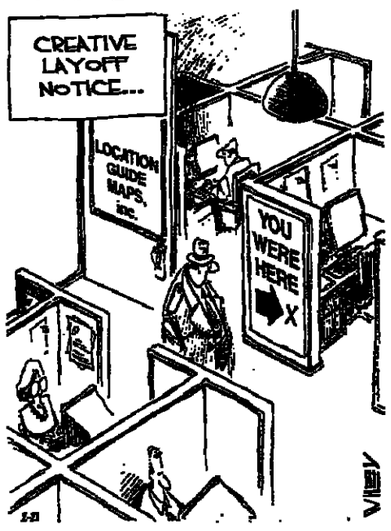

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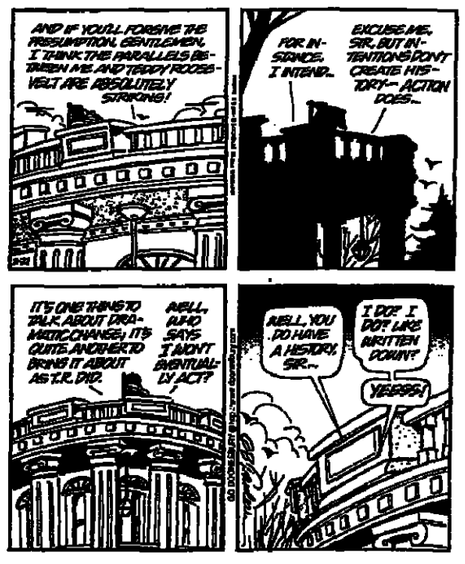

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POSTCARD

Everyman's Internet

By R.W. Apple Jr.
New York Times Service

WASHINGTON — Exactly a hundred years ago, in 1897, the Library of Congress's Jefferson building opened, inaugurating a new, populist era in the history of one of the world's great repositories of knowledge. For the first time, the library's books were available not just to members of Congress and their staffs, not just to scholars and specialists, but to Everyman.

Now the library is doing the same thing with its special collections, the more than 70 million items in nonbook format that it holds, such as the papers of eminent men and women, including those of the first 23 presidents of the United States, Mathew Brady's Civil War photographs, newspaper cartoons, maps — 6 million of them — Gershwin scores and theatrical posters.

Somewhat to the library's surprise, it has a smash hit on its hands.

□

The goal is to put 5 million items on the Internet by 2000. Already, the library has raised $23.5 million from private sources and has won commitments of $15 million more from Congress, more than halfway toward a goal of $60 million. The telecommunications billionaire John Kluge and a foundation started by the late David Packard, the California computer magnate, have each given more than $5 million.

Without much fanfare, the library has begun the painstaking process of translating images on film and paper into the digital form comprehensible to computers. Eventually, Americana from other libraries will also be brought into the project, which is called the National Digital Library Program.

So far, 300,000 items from the library's own collection are available (www.loc.gov), grouped in 17 collections under the name American Memory, including photographs documenting life during the Depression, theatrical memorabilia illustrating the career of Harry Houdini and the Yiddish theater, speeches from the 1920 campaign, African-American pamphlets and films of the San Francisco earthquake.

□

All of this is "plain vanilla," in the words of James Billington, the librarian of Congress — original documentary sources, unedited, unexplained.

According to Robert Zich, the library's director of electronic programs, its web site attracts more than 20 million "hits" a month, most of them in search of American Memory items. Many of the visitors are schoolchildren.

The scope of the collections available to Zich and Laura Campbell, the director of the digital library, is almost incomprehensible.

Among the items awaiting digitalization are: The New York Times front page from the day Lincoln was shot ("Awful Event," the headline says), an 1812 handbill offering a reward for the return of an indentured servant, one of John Hancock's tax bills, an old menu from the Tremont House hotel in Boston, a drawing and description of the first gerrymander, and the first Betty Crocker cookbook. Plus the original scores of John Philip Sousa, and one of the world's great collections of early movies.

Andrew Wyeth: Portrait of a Scowling Man

By Ralph Blumenthal
New York Times Service

CHADDS FORD, Pennsylvania — Andrew Wyeth is still alive. He proved it the other day by ordering a Bloody Mary, a shrimp cocktail ("Five shrimp, please") and sweet-potato fries.

Sure, he said over lunch at the colonial Chadds Ford Inn in the Brandywine country of Pennsylvania — home to three generations of painting Wyeths — he and his wife, Betsy, had resisted publication of a confidant's revealing new biography.

And now here was the book, "Andrew Wyeth: A Secret Life," with his scowling countenance staring from bookstore shelves. People may have thought he had died, and more than a few critics may have wished he had. But no, he said, his impish face seamed with leathery creases over a worn gray Irish sweater, "I'm not dead yet."

At 79, Wyeth, who has conjured some of the most arresting popular images of the age and reaped extraordinary financial success, still paints every day, plowing through fields and riverbeds in a beat-up GMC Suburban with a sketch pad on the seat.

Despite the near-fatal loss of most of a lung many years ago, along with a recent hip operation and some frailties of age, he works in a frenzy and always has. He bridles at labels, including the seemingly irrefutable one of "realist," calling himself "elusive" instead.

He has, of course, long been the bane of much of the art establishment, and critics have over the years dismissed him as a pop icon and sentimentalist, a glorified Norman Rockwell, too accessible, successful and popular with the public to be important.

It is, in fact, in repudiation of their scorn, as well as to demonstrate that his subjects are not mere conceits but real slices of Americana, that Wyeth has used the publication of the biography to break a long silence. (He did cooperate with Thomas Hoving, a longtime supporter and former director of the Metropolitan Museum of Art, in "Autobiography," an annotated book based on an exhibition of his works, in 1995.)

"To say I'm this or I'm that," he said, impatiently waving off categorization. "What you have to do is break all the rules."

He said he was out to capture "the depth in every object," and he believed, like Constable, that "you don't have to make things up, you don't have to put in animals or people, you just have to sit there, and it will appear."

Sara Krulwich/The New York Times

Wyeth, 79, visiting the studio of his father. Says the painter, "I'm not dead yet."

During a daylong conversation that coursed from the studio where he learned to draw at the feet of his father, the renowned illustrator Newell Convers Wyeth, to the settings and subjects of some of his most famous works, Wyeth talked about his life today, his family history and his art.

"I can't get going on a picture unless I have a real reason to paint it, unless it gets me excited," he said. "I have to feel the hair raised on my neck. It's all strictly unconscious."

Although the new biography, by Richard Meryman, a longtime friend of the Wyeths, offers a warts-and-all look at a strange if gifted clan, Wyeth voiced no regrets at having cooperated with the author. "I wanted it so tough that I wouldn't read it," he said with a laugh. In fact, he said, he did not read most of it. "Betsy read me two chapters," he added. "I said, 'No more, I might not like him anymore.'"

The book, coupling admiration for Wyeth's work with striking revelations about his personal affairs, has received mixed reviews. Based on many years of conversations with the Wyeths and with family members, it recounts the overpowering influence of N.C. Wyeth on his children and Andrew's fascination with the violence underlying everyday life, his fear of confinement, his compulsive secrecy and his strong attachments to his models.

One of these, a neighbor, Helga Testorf, became the focus of a 15-year artistic obsession that genuinely rocked the Wyeths' marriage, despite the enduring skepticism of critics who insist that the affair was concocted for publicity.

Meryman is a former writer and editor for Life magazine and the son of a landscape painter and portraitist, also named Richard, who directed the art school of the Corcoran Gallery in Washington in the 1920s and '30s. He first interviewed the Wyeths in 1964, and worked toward the book over the next 32 years, although the Wyeths, he said, didn't sit for formal interviews or want him to take notes in their presence.

The writer remains close to the family, bound to it by a shared tragedy that lurks like the menace behind so many seemingly placid Wyeth still lifes and landscapes. When he and his first wife, Hope, who later died of cancer, visited the Wyeths in Chadds Ford more than 30 years ago to show off their newborn daughter, the baby, laid to sleep in the Wyeths' living room, regurgitated milk and choked to death.

Although some critics have deemed the book credulous and partisan, Meryman insisted that he was no "apologist and worshiper" of the artist. He said he had written a tough, investigative book that explored Wyeth's fascination with the grotesque and left few family skeletons untouched.

Chadds Ford, between Philadelphia and Wilmington, Delaware, is a kind of "Wyeth's World," as austere and haunting in its way as "Christina's World," Wyeth's widely known painting of his crippled friend Christina Olson crawling toward her desolate farmhouse in Maine. This time of year, the wintry ground stretches tight like skin over the bare hills, and the stubbly brown grass is finely crosshatched, as if by strokes of the artist's brush.

At the Chadds Ford Inn, Wyeth occupied his regular seat at a corner table. He had arrived late, explaining that he did not wear a watch, for fear, he said, of anything external telling him when to stop painting.

Why, he was asked, does he seem to antagonize so much of the art world?

It is because he dismissed as boring so much of the abstract art that critics say is good for people, Wyeth said.

"I believe in the principle of what I'm doing," he said. "That challenges them, threatens them. I'm not interested in their profound thoughts on art."

"It's a boring period in art," he said. "They've gone as far as they can. Go look at a blank picture. Something has to take its place. Abstraction has become predictable."

Wyeth said he was just going to keep painting, critics be damned. "I'm not going to let them disrupt my old age," he said.

COUNTER-COUNTERCULTURE

Can The Village Voice Graduate to the '90s?

By Elisabeth Bumiller
New York Times Service

NEW YORK — The writers of The Village Voice knew their alternative world was changing yet again when their new leader gave them an introductory pep talk by quoting a favorite, now-dead editor of The New York Post.

"He once told me, 'Lemme tell you something, kid,' " the new Voice editor told his staff. " 'You gotta grab the reader by the throat. He's on the train. It's hot. He's trying to hit on his secretary; she's not giving him the time of day. His wife is mad at him. His kid needs braces; he doesn't have the money. The guy next to him stinks. It's crowded. You want him to read your story? You better make it interesting.' "

The famously cantankerous writers, a youngish rainbow coalition of color and sexual preference, exchanged sideways looks. This sounded like bad Ben Hecht, or New York at the time of the 1964 World's Fair. Clearly, he was not describing the typical Voice reader. Who was this guy?

Donald Forst, that's who, a cocky, prepsychedelic, 64-year-old white heterosexual male, the former bad-boy editor of New York Newsday who led that paper to two Pulitzer Prizes but also reveled in front-page cheesecake photos of Maria Maples and Donna Rice.

By universal acclaim, Forst is the oddest choice to edit the 41-year-old leftist weekly since Clay Felker, the New York magazine founder and prince of the where-to-find-the-best-pastrami story, who once ordered two stricken

Monica Almeida/The New York Times

Forst: "You gotta grab the reader by the throat."

Voice writers to stop using only lower case.

"Why did I take this?" Forst said of his job the other day. "Because it was insane. It's what Karl Wallenda said: 'Life is on the wire. All the rest is waiting.'

"Yeah, this is a very exciting place. It's got heterosexuals, homosexuals, lesbians, carnivores, vegetarians, Stalinists, Trotskyites."

Forst's mandate, as outlined by the Voice's publisher, David Schneiderman, is to create a newsier Voice aimed at the 32-year-old computer executive with a vaguely Bohemian drift.

"I want the Voice to be a journalistic player in this town and not a cute little thing from the 60s that amuses everyone from time to time with its own internal food fights," Schneiderman said. (He was not speaking metaphorically. An angry Voice writer once threw potato salad at the letters editor, according to Richard Goldstein, the Voice's executive editor.)

So far, what the clash of Forstian tabloid culture with Voicean leftist and identity-based politics has done is to bring hope to Voice news writers that Forst will make the weekly relevant — and fear to the feature writers that he will dumb down the counterculture's once-great newspaper of record.

"I'm worried that literary quality is not something he's interested in," said Robert Christgau, the Voice's rock-and-roll writer.

Forst is not unaware of staff sentiment. "There is one group that was immediately on my side," he said. "The rest of the people are waiting to see if I'm the devil."

The larger question is where Forst takes the house organ for a house that burned down a long time ago. If the left is dead, or at least no longer able to support advertisers, will Forst, who says he has no politics and has never registered to vote, turn his attention solely to Generation X readers?

"There's nobody at the barricades these days," Forst said. "There's AIDS. There's gay rights. There's lesbian rights. There's desegregation. Those are issues that we still address, but they're not firefights."

Forst said that he would serve youth ("In a certain sense, they're almost my generation, the silent generation"), but that The Voice would not be mainstream. He said he would fight smaller injustices.

"This paper," he added, "should always have an edge to the left."

PEOPLE

THE singer Pat Boone, one of America's best known Christian entertainers, has been taken off the air by a national religious television network after showing up at the American Music Awards dressed like a heavy-metal rock singer. Boone's weekly half-hour show was dropped by the Trinity Broadcasting Network after the network received thousands of phone calls and letters from contributors who were shocked by Boone's bare-chested leather costume — augmented by faux tattoos and a studded dog collar — at the awards show, broadcast Jan. 27 by ABC. "A lot of our 'partners' had a real problem with that, more than a lot," said an employee of Trinity, whose programming is carried by nearly 400 cable systems and television stations worldwide. Known for decades for his squeaky clean appearance, Boone, 62, said Trinity's move was "real unexpected," adding, "I thought everybody saw it for what it was, sort of a parody, just a send-up."

□

When Barbara Walters profiled the composer Andrew Lloyd Webber for ABC News' "20/20," she took care to address what some viewers might have seen as a conflict of interest. Yes, she explained, ABC's parent company does business with Lloyd Webber, but she added "that's not why we did the piece." What Walters failed to tell the audience — and her bosses — was that she had invested $100,000 in his Broadway production of "Sunset Boulevard." Now she has conceded that she should have mentioned it. "In retrospect, I should have disclosed the investment," Walters said in a statement. "I didn't even think about it, since I haven't invested in another Broadway show before or since. It won't happen again."

□

Three former detectives who were once colleagues investigating O.J. Simpson are now taking aim at each other — with words. Tom Lange and Philip Vannatter denounced Mark Fuhrman for comments in his new book trashing them as incompetents who blew the Simpson case. In a withering 15-page statement, Lange and Vannatter blasted Fuhrman's "Murder in Brentwood," as "a desperate, cynical and cowardly attempt to redeem himself at our expense." Fuhrman responded by accusing the two senior detectives of writing fiction in their own book, "Evidence Dismissed."

The Associated Press

Horsing around in "Funny Business," one of two new Russian sitcoms.

□

Jeanne Calment, officially the oldest woman in the world, celebrates her 122d birthday Friday in a life that began in an era before films, telephones, cars or aircraft. Blind, confined to a wheelchair and all but deaf, Calment will spend her birthday at the Maison du Lac retirement home in Arles, the southern French town where she has always lived and, as a girl, met van Gogh. Calment's sense of humor has won her fame as much as her longevity. A long-time smoker who enjoys a glass of port, Calment has said a smile is her recipe for long life. "I've only ever had one wrinkle and I'm sitting on it," she once remarked. Another time, she predicted: "I will die laughing."

□

A lot of people think it's a radical, even a doomed, idea, but a handful of creative Russians have put something new on the airwaves: the country's first sitcoms. "No one believes they can pull it off," said Inga Ugolnikova at TV Park, a sort of Russian TV Guide. For one thing, no one's quite sure what makes Russians laugh anymore. In Soviet times, funny was easy: You mocked the system. "It was the humor of a totalitarian regime," says Yuri Belinky, director of "Café Strawberry," one of the two new shows. Now he's staying away from politics. In his show, a comedy of errors akin to "Cheers," the café's proprietors and their friends and patrons get hopelessly entangled in mixups or misunderstandings. The other new show, "Funny Business, Family Business," centers on a middle-class family trying to get by in today's Russia. The action takes place at their apartment and at the laundry they opened after losing their savings in a pyramid scheme. The often biting show is the brainchild of brothers David and Tigran Keossaian, who say they find all their material "out there on the streets." Both shows premiered last month. The critics have so far ignored "Funny Business" and panned "Café Strawberry," one calling it "profoundly stupid."

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